

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. Part 2 (*Explanatory Statement*) of this Document comprises an explanatory statement in compliance with section 897 of the Companies Act 2006.

This Document contains a proposal which, if implemented, will result in the cancellation of trading of the Crimson Tide Shares on AIM.

The release, publication or distribution of this Document and any accompanying documents (in whole or in part) in, into or from jurisdictions other than the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons into whose possession this Document comes should inform themselves about, and observe, any such restrictions. Failure to comply with the restrictions may constitute a violation of the securities laws of any such jurisdiction.

If you are in any doubt as to the contents of this Document or the action you should take, you are recommended to seek your own financial advice immediately from your stockbroker, bank manager, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are taking advice in a territory outside of the United Kingdom.

If you sell or have sold or otherwise transferred all of your Crimson Tide Shares, please send this Document, together with any accompanying documents (other than documents or forms personal to you), at once to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee. However, such documents should not be forwarded or transmitted in, into or from any jurisdiction in which such act would constitute a violation of the relevant laws of such jurisdiction.

If you sell or have sold or otherwise transferred only part of your holding of Crimson Tide Shares, you should retain these documents and contact the bank, stockbroker or other agent through whom the sale or transfer was effected.

Neither this Document nor any of the accompanying documents do or are intended to constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities or the solicitation of any vote or approval pursuant to the Merger or otherwise, in any jurisdiction in which such offer, invitation or solicitation is unlawful. This Document is not a prospectus or prospectus-equivalent document.

Recommended all-share merger between Crimson Tide plc ("Crimson Tide") and Checkit plc ("Checkit")

to be effected by means of a scheme of arrangement under Part 26 of the Companies Act 2006

This Document (and all information incorporated into this Document by reference to another source) should be read as a whole and in conjunction with the Forms of Proxy. Your attention is drawn to the letter from the Chair of Crimson Tide in Part 1 (*Letter from the Chair of Crimson Tide plc*) of this Document, which contains the unanimous recommendation of the Crimson Tide Directors that you vote in favour of the Scheme at the Court Meeting and the Resolution to be proposed at the General Meeting. A letter from Cavendish Capital Markets Limited ("Cavendish") explaining the Scheme in greater detail is set out in Part 2 (*Explanatory Statement*) of this Document.

Notices of the Court Meeting and the General Meeting, both of which are to be held at the offices of Shoosmiths LLP, 1 Bow Churchyard, London, EC4M 9DQ on 19 March 2025, are set out in Part 11 (*Notice of Court Meeting*) and Part 12 (*Notice of General Meeting*) respectively of this Document. The Court Meeting will start at 10.00 a.m. and the General Meeting will start at 10.30 a.m. (or as soon thereafter as the Court Meeting concludes or is adjourned).

Action to be taken by Crimson Tide Shareholders is set out on pages 5 to 8 and at paragraph 16 of Part 2 (*Explanatory Statement*) of this Document. Crimson Tide Scheme Shareholders and Crimson Tide Shareholders are strongly encouraged to complete, sign and return the enclosed BLUE and WHITE Forms of Proxy in accordance with the instructions printed thereon (or to appoint a proxy electronically as referred to in this Document) as soon as possible, but in any event so as to be received by Neville Registrars Limited at Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, West Midlands, United Kingdom, B62 8HD, no later than 48 hours (excluding any part of such 48-hour period falling on a non-working day) before the time fixed for the relevant Meeting or any adjournment thereof. Crimson Tide Shareholders who hold Crimson Tide Shares in CREST may also appoint a proxy using CREST by following the instructions set out in the Forms of Proxy and this Document. It is important that, for the Court Meeting, as many votes as possible are cast so that the Court may be satisfied that there is a fair and reasonable representation of Crimson Tide Scheme Shareholder opinion.

In the case of the Court Meeting, if the BLUE Form of Proxy for the Court Meeting is not lodged by 10.00 a.m. on 17 March 2025, it may be presented in person to the Chair of the meeting or a representative of Neville Registrars Limited who will be present at the Court Meeting, any time prior to the commencement of the Court Meeting (or any adjournment thereof).

In the case of the General Meeting, if the WHITE Form of Proxy for the General Meeting is not lodged 10.30 a.m. on 17 March 2025 (by post or transmission of a proxy appointment or voting instruction through CREST or by any other procedure described in this Document), it will be invalid. Crimson Tide Shareholders who hold Crimson Tide Shares in CREST may also appoint a proxy through the CREST electronic proxy appointment service or electronically through www.sharegateway.co.uk by following the instructions set out on the enclosed Forms of Proxy.

Crimson Tide Shareholders are strongly encouraged to appoint "the Chair of the meeting" as their proxy.

If you have any questions about this Document, the Court Meeting or the General Meeting or are in any doubt as to how to complete the Forms of Proxy or how to appoint a proxy through the CREST electronic proxy appointment service or electronically through www.sharegateway.co.uk, please contact Crimson Tide's Registrar, Neville Registrars Limited, between 9.00 a.m. and 5.00 p.m. Monday to Friday (except public holidays in England and Wales) on +44 (0)121 585 1131 (if calling from outside of the United Kingdom, please ensure the country code is used). Neville Registrars Limited cannot provide advice on the merits of the Merger or give any financial, legal or tax advice. Calls to Neville Registrars Limited from outside the United Kingdom will be charged at applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes.

Cavendish which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively as sole financial adviser and Rule 3 adviser to Crimson Tide and no one else in connection with the Merger and will not be responsible to anyone other than Crimson Tide for providing the protections afforded to clients of Cavendish nor for providing advice in relation to the Merger or any other matter or arrangement referred to herein. Neither Cavendish nor any of its affiliates (nor their respective directors, officers, employees or agents) owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether or not in contract, in tort, under statute or otherwise) to any person who is not a client of Cavendish in connection with this Document, the Merger, any statement contained herein or otherwise.

Singer Capital Markets Advisory LLP ("**Singer Capital Markets**"), which is authorised and regulated in the United Kingdom by the FCA, is acting as financial adviser, nominated adviser and broker, exclusively to Checkit and no one else in connection with the matters set out in this Document and will not regard any other person as their client in relation to such matters and will not be responsible to anyone other than Checkit for providing the protections afforded to clients of Singer Capital Markets nor for providing advice in relation to the Merger or any other matter or arrangement referred to herein. Neither Singer Capital Markets nor any of its affiliates (nor their respective directors, officers, employees or agents) owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Singer Capital Markets in connection with this Document, the Merger, any statement contained herein or otherwise.

Capitalised words and phrases used in this Document shall have the meanings given to them in Part 10 (Definitions) of this Document.

IMPORTANT NOTICES

The statements contained in this Document are made as at the date of this Document, unless some other time is specified in relation to them, and service of this Document shall not give rise to any implication that there has been no change in the facts set out in this Document since such date. Nothing contained in this Document shall be deemed to be a forecast, projection or estimate of the future financial performance of Crimson Tide, the Crimson Tide Group, Checkit, or the Checkit Group except where otherwise expressly stated. Neither Crimson Tide nor Checkit nor any member of the Crimson Tide Group or the Checkit Group intends, or undertakes any obligation, to update information contained in this Document, except as required by applicable law, the Takeover Code or other regulation.

Information for Overseas Shareholders

This Document has been prepared in accordance with, and for the purposes of complying with, English law, the Takeover Code, the Market Abuse Rules, the Disclosure Guidance and Transparency Rules and the AIM Rules and information disclosed may not be the same as that which would have been disclosed if this Document had been prepared in accordance with the laws of jurisdictions outside of England.

The release, publication or distribution of this Document in or into certain jurisdictions other than the United Kingdom may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than the United Kingdom should inform themselves of, and observe, any applicable requirements of their jurisdictions.

The availability of New Checkit Shares pursuant to the Merger to Crimson Tide Shareholders who are not resident in, and citizens of the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizens. Persons who are not resident in the United Kingdom should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdictions. In particular, the ability of persons who are not resident in the United Kingdom to vote their Crimson Tide Shares with respect to the Scheme at the Court Meeting, or to appoint another person as proxy to vote at the Court Meeting on their behalf, may be affected by the laws of the relevant jurisdictions in which they are located. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Merger disclaim any responsibility or liability for the violation of such restrictions by any person.

Unless otherwise determined by Crimson Tide or required by the Takeover Code, and permitted by applicable law and regulation, New Checkit Shares pursuant to the Merger will not be made available, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may vote in favour of the Merger by any such use, means, instrumentality or from within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Copies of this Document and any formal documentation relating to the Merger are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction and persons receiving this Document and all such documents relating to the Merger (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction. Doing so may render invalid any related purported vote in respect of the Merger. If the Merger is implemented by way of an Offer (unless otherwise permitted by applicable law and regulation), the Offer may not be made directly or indirectly, in or into, or by the use of mails or any means or instrumentality (including, but not limited to, facsimile, email or other electronic transmission, or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of any Restricted Jurisdiction and the Offer may not be capable of acceptance by any such use, means, instrumentality or facilities.

The Merger shall be subject to the applicable requirements of the Takeover Code, the Panel, the London Stock Exchange and the FCA.

Forward-looking statements

This Document (including information incorporated by reference into this Document), oral and non-oral statements made regarding the Merger, and other information to be published by Checkit and Crimson

Tide, contain statements which are, or may be deemed to be, “forward-looking statements”. Forward-looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and projections of the management of Checkit and Crimson Tide about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements.

The forward-looking statements contained in this Document include statements with respect to the expected effects of the Merger on Checkit and Crimson Tide (including their future prospects, developments and strategies), the expected timing and scope of the Merger and other statements other than historical facts. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as “anticipates”, “does not anticipate”, “believes”, “targets”, “expects”, “does not expect”, “estimates”, “forecasts”, “intends”, “plans”, “budget”, “scheduled”, “goal”, or variations of such words and phrases or statements that certain actions, events or results “will”, “may”, “should”, “would” or “could” be taken, occur, or be achieved. Forward looking statements may include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of Checkit’s, Crimson Tide’s, any member of the Checkit Group’s or any member of the Crimson Tide Group’s operations and potential synergies resulting from the Merger; and (iii) the effects of the global economic conditions and governmental regulation on Checkit’s, Crimson Tide’s, any member of the Checkit Group’s or any member of the Crimson Tide Group’s business.

Although Checkit and Crimson Tide believe that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct and you are therefore cautioned not to place undue reliance on these forward-looking statements which speak only as at the date of this Document. Neither Checkit nor Crimson Tide assumes any obligation to update or correct the information contained in this Document (whether as a result of new information, future events or otherwise), except as required by applicable law.

There are a number of factors which could cause actual results and developments to differ materially from those expressed or implied in forward-looking statements. These factors include, but are not limited to: the ability to complete the Merger; the ability to obtain requisite shareholder approvals and the satisfaction of other Conditions on the proposed terms and schedule; changes in the global, political, economic, business and competitive environments and in market and regulatory forces; changes in future exchange and interest rates; changes in tax rates; future business combinations or disposals; changes in general economic and business conditions; changes in the behaviour of other market participants; changes in the anticipated benefits of the Merger not being realised as a result of changes in general economic and market conditions in the countries in which Checkit and Crimson Tide operate; weak, volatile or illiquid capital and/or credit markets; changes in the degree of competition in the geographic and business areas in which Checkit and Crimson Tide operate; and changes in laws or in supervisory expectations or requirements. Other unknown or unpredictable factors could cause actual results to differ materially from those expected, estimated or projected in the forward-looking statements. If any one or more of these risks or uncertainties materialises or if any one or more of the assumptions proves incorrect, actual results may differ materially from those expected, estimated or projected. Such forward-looking statements should therefore be construed in the light of such factors.

Neither Checkit nor Crimson Tide nor any of their respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this Document will actually occur. Given these risks and uncertainties, potential investors are cautioned not to place any reliance on these forward-looking statements.

In particular, statements of estimated cost savings and synergies relate to future actions and circumstances which, by their nature, involve risks, uncertainties and contingencies. As a result, any cost savings and synergies referred to may not be achieved, may be achieved later or sooner than estimated, or those achieved could be materially different from those estimated. There may be additional changes to the Crimson Tide Group’s operations. As a result, and given the fact that the changes relate to the future, the resulting cost synergies may be materially greater or less than those estimated.

Other than in accordance with their legal or regulatory obligations, neither Checkit nor Crimson Tide is under any obligation (and Checkit and Crimson Tide expressly disclaim any intention or obligation) to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Disclosure requirements of the Takeover Code

Under Rule 8.3(a) of the Takeover Code, any person who is interested in 1 per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 p.m. (London time) on the 10th Business Day following the commencement of the offer period and, if appropriate, by no later than 3.30 p.m. (London time) on the 10th Business Day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Takeover Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 p.m. (London time) on the Business Day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

Publication on a website

In accordance with Rule 26.1 of the Takeover Code, a copy of this Document and the documents required to be published under Rule 26 of the Takeover Code, will be made available free of charge, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on Crimson Tide's website at www.crimsontide.co.uk/offer by no later than 12 noon (London time) on the first Business Day following the date of this Document.

Neither the contents of Crimson Tide's website, nor the content of any other website accessible from hyperlinks on Crimson Tide's website, are incorporated into or form part of this Document.

No profit forecasts, estimates or quantified benefit statements

Other than the FY24 Crimson Tide Profit Estimate, no statement in this Document is intended as a profit forecast or estimate for any period or a quantified financial benefits statement and no statement in this Document should be interpreted to mean that earnings or earnings per share for Crimson Tide for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for Crimson Tide.

Other than the FY25 Checkit Profit Estimate, no statement in this Document is intended as a profit forecast or estimate for any period or a quantified financial benefits statement and no statement in this Document should be interpreted to mean that earnings or earnings per share for Checkit for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for Checkit.

Electronic Communications

Please be aware that addresses, electronic addresses and certain information provided by Crimson Tide Shareholders, persons with information rights and other relevant persons for the receipt of communications from Crimson Tide may be provided to Checkit during the Offer Period as requested under section 4 of Appendix 4 to the Takeover Code.

Requesting Hard Copy Documents

In accordance with Rule 30.3 of the Takeover Code, Crimson Tide Shareholders, persons with information rights and participants in the Crimson Tide Share Plan may request a hard copy of this Document by contacting Neville Registrars Limited during business hours (9.00 a.m. to 5.00 p.m.) on +44 (0)121 585 1131 (if calling from outside of the UK, please ensure the country code is used) or by submitting a request in writing to Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, B62 8HD. In accordance with Rule 30.3 of the Takeover Code, you may also request that all future documents, announcements and information to be sent to you in relation to the Merger should be in hard copy form. Please note that Neville Registrars Limited cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

General

If the Merger is effected by way of an Offer, and such Offer becomes or is declared unconditional and sufficient acceptances are received in respect of such Offer, Checkit intends to exercise its rights to apply the provisions of Chapter 3 of Part 28 of the Companies Act 2006 so as to acquire compulsorily the remaining Crimson Tide Shares in respect of which the Offer has not been accepted.

Investors should be aware that Checkit may purchase Crimson Tide Shares otherwise than under any Offer or the Scheme, including pursuant to privately negotiated purchases.

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 independent financial advice immediately from your stockbroker, bank manager, accountant or independent financial adviser duly authorised under FSMA if you are resident in the United Kingdom or, if not, from another appropriate authorised independent financial adviser.

Rounding

Certain figures included in this Document have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

Scheme process

In accordance with Rule 5 of Appendix 7 to the Takeover Code, Crimson Tide will announce through a Regulatory Information Service key events in the Scheme process including the outcomes of the Court Meeting, General Meeting and the Sanction Hearing.

Time

All times shown in this Document are London times, unless otherwise stated.

Date

This Document is published on 20 February 2025.

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ACTION TO BE TAKEN

For the reasons set out in this Document, the Crimson Tide Directors, who have been so advised by Cavendish as to the financial terms of the Merger, unanimously consider the terms of the Merger to be fair and reasonable. In providing their financial advice to the Crimson Tide Directors, Cavendish has taken into account the commercial assessments of the Crimson Tide Directors. Cavendish is providing independent financial advice to the Crimson Tide Directors for the purposes of Rule 3 of the Takeover Code.

Accordingly, in order to implement the Merger, the Crimson Tide Directors unanimously recommend that you vote in favour of the Scheme at the Court Meeting and the Resolution proposed at the General Meeting. Jacqueline Daniell, Luke Jeffrey and Peter Hurter, being the only Crimson Tide Directors indirectly holding Crimson Tide Shares, have irrevocably undertaken to vote in favour of the Scheme and the Resolution in respect of their own beneficial holdings of Crimson Tide Shares, and further recommend that you take the actions described below.

This section should be read in conjunction with the rest of this Document and, in particular, the section headed “**Action to be taken**” set out in paragraph 13 of Part 1 (*Letter from the Chair of Crimson Tide*) and paragraph 16 of Part 2 (*Explanatory Statement*) and the notices of the Meetings at Part 11 (*Notice of Court Meeting*) and Part 12 (*Notice of General Meeting*) respectively of this Document.

1. Documents

Please check that you have received the following:

- a BLUE Form of Proxy for use in respect of the Court Meeting on 19 March 2025;
- a WHITE Form of Proxy for use in respect of the General Meeting on 19 March 2025; and
- a pre-paid envelope for use in the UK only for the return of the Forms of Proxy.

If you have not received all of these documents, please contact Crimson Tide’s Registrar, Neville Registrars Limited between 9.00 a.m. and 5.00 p.m. Monday to Friday (except public holidays in England and Wales) on +44 (0)121 585 1131 (if calling from outside of the UK, please ensure the country code is used). Calls to Neville Registrars Limited from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes.

2. VOTING AT THE COURT MEETING AND THE GENERAL MEETING

IT IS IMPORTANT THAT, FOR THE COURT MEETING IN PARTICULAR, AS MANY VOTES AS POSSIBLE ARE CAST SO THAT THE COURT MAY BE SATISFIED THAT THERE IS A FAIR AND REASONABLE REPRESENTATION OF THE OPINION OF CRIMSON TIDE SCHEME SHAREHOLDERS. YOU ARE THEREFORE STRONGLY URGED TO COMPLETE, SIGN AND RETURN YOUR FORMS OF PROXY (OR TO APPOINT A PROXY THROUGH THE CREST ELECTRONIC PROXY APPOINTMENT SERVICE OR ELECTRONICALLY THROUGH WWW.SHAREGATEWAY.CO.UK) AS SOON AS POSSIBLE AND, IN ANY EVENT, WITHIN THE TIMEFRAMES SPECIFIED BELOW, TO ENSURE YOUR VOTE IS RECORDED. DOING SO WILL NOT PREVENT YOU FROM ATTENDING, SPEAKING AND VOTING IN PERSON AT THE MEETINGS IF YOU WISH, AND ARE ENTITLED, TO DO SO.

THEREFORE, WHETHER OR NOT YOU PLAN TO ATTEND THE MEETINGS, PLEASE COMPLETE AND SIGN BOTH THE ENCLOSED BLUE AND WHITE FORMS OF PROXY AND RETURN THEM IN ACCORDANCE WITH THE INSTRUCTIONS PROVIDED THEREON AS SOON AS POSSIBLE BUT IN ANY EVENT SO AS TO BE RECEIVED BY:

- **NO LATER THAN 10.00 A.M. ON 17 MARCH 2025 IN THE CASE OF THE COURT MEETING (BLUE FORM OF PROXY); AND**
- **NO LATER THAN 10.30 A.M. ON 17 MARCH 2025 IN THE CASE OF THE GENERAL MEETING (WHITE FORM OF PROXY),**

OR, IF IN EITHER CASE THE MEETING IS ADJOURNED, THE RELEVANT FORM OF PROXY SHOULD BE RECEIVED NO LATER THAN 48 HOURS (EXCLUDING ANY PART OF SUCH 48-HOUR PERIOD FALLING ON A NON-WORKING DAY) BEFORE THE TIME FIXED FOR THE HOLDING OF SUCH ADJOURNED MEETING.

This will enable your votes to be counted at the Meetings in the event of your absence. If the BLUE Form of Proxy for use at the Court Meeting is not lodged by 10.00 a.m. on 17 March 2025, it may be: (i) scanned and emailed to Neville Registrars Limited at the following email address: info@nevilleregistrars.co.uk; or (ii) presented in person to the Chair of the Court Meeting or a representative of Neville Registrars Limited who will be present at the Court Meeting, any time prior to the commencement of the Court Meeting (or any adjournment thereof). However, in the case of the General Meeting, unless the WHITE Form of Proxy is lodged so as to be received by the time mentioned above, it will be invalid.

Forms of Proxy returned by fax will not be accepted.

(a) *Sending Forms of Proxy by post or by hand*

Please complete and sign the Forms of Proxy in accordance with the instructions printed thereon and return them, either (i) in the pre-paid envelope by post or, (ii) during normal business hours only, by hand, to Crimson Tide's Registrar, Neville Registrars Limited at Neville House, Steelpark Road, Halesowen, B62 8HD, so as to be received as soon as possible and in any event not later than the relevant time set out below:

BLUE Forms of Proxy for the Court Meeting	10.00 a.m. on 17 March 2025
WHITE Forms of Proxy for the General Meeting	10.30 a.m. on 17 March 2025

or, if in either case the Meeting is adjourned, the relevant Form of Proxy should be received no later than 48 hours (excluding any part of such 48-hour period falling on a non-working day) before the time fixed for the holding of such adjourned Meeting. For your convenience, a pre-paid envelope (for use in the United Kingdom only) has been provided with respect to the Forms of Proxy.

If the BLUE Form of Proxy in respect of the Court Meeting is not returned by the relevant time, it may be: (i) scanned and emailed to Neville Registrars Limited at the following email address: info@nevilleregistrars.co.uk; or (ii) presented in person to the Chair of the Court Meeting or a representative of Neville Registrars Limited who will be present at the Court Meeting, any time prior to the commencement of the Court Meeting (or any adjournment thereof). However, in the case of the General Meeting, the WHITE Form of Proxy must be received by Crimson Tide's Registrar by the time mentioned above, or it will be invalid.

Crimson Tide Shareholders are entitled to appoint a proxy in respect of some or all of their Crimson Tide Shares and may also appoint more than one proxy, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by such holder.

(b) *Electronic appointment of proxies through CREST*

If you hold Crimson Tide Shares in uncertificated form through CREST and wish to appoint a proxy or proxies for the Court Meeting or the General Meeting (or any adjournment thereof) by using the CREST electronic proxy appointment for service, you may do so by using the procedures described in the CREST Manual (please also refer to the accompanying notes to the notices of Meetings set out in Part 11 (*Notice of Court Meeting*) and Part 12 (*Notice of General Meeting*) of this Document). CREST personal members or other CREST sponsored members, and those CREST members who have appointed any voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment 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 the specifications of Euroclear and must contain the information required for such instructions as described in the CREST Manual (available via www.euroclear.com). The message (regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions given to a previously appointed proxy), must, in order to be valid, be transmitted so as to be received by Neville Registrars Limited (ID: 7RA11) not later than 48 hours (excluding any part of such 48-hour

period falling on a non-working day) before the time fixed for the relevant Meeting or any adjournment thereof. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which Crimson Tide's Registrar 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.

In the case of the Court Meeting, if the CREST proxy appointment or instruction is not received by this time, the BLUE Form of Proxy may be: (i) scanned and emailed to Neville Registrars Limited at the following email address: info@nevilleregistrars.co.uk; or (ii) presented in person to the Chair of the Court Meeting or a representative of Neville Registrars Limited who will be present at the Court Meeting, any time prior to the commencement of the Court Meeting (or any adjournment thereof). However, if the electronic proxy appointment in respect of the General Meeting is not received by the relevant time, it will be invalid.

Any Form of Proxy returned by email in circumstances other than as set out in this paragraph will not be accepted.

CREST members and, where applicable, their CREST sponsors or voting service providers, should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitation will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed any voting service provider(s), to procure that his/her CREST sponsor or voting service providers(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. For further information on the logistics of submitting messages in CREST, CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

Crimson Tide may treat as invalid a CREST Proxy Instruction in the circumstances set out in the CREST Regulations.

3. Electronic appointment of proxies through Share Gateway

As an alternative to completing and returning the printed Forms of Proxy, proxies may be appointed electronically at www.sharegateway.co.uk. Shareholders will need to use their Personal Proxy Registration Code as shown on their Forms of Proxy to facilitate this. For an electronic proxy appointment to be valid, the appointment must be received by Crimson Tide's Registrar, Neville Registrars Limited, not later than 48 hours (excluding any part of such 48-hour period falling on a non-working day) before the time fixed for the relevant Meeting or any adjournment thereof. Full details of the procedure to be followed to appoint a proxy electronically are given on the website.

4. Multiple proxy voting instructions

Crimson Tide Shareholders who wish to appoint more than one proxy in respect of their holding of Crimson Tide Shares should contact Neville Registrars Limited on the number referred to in paragraph 8 below for further Forms of Proxy or photocopy the Forms of Proxy as required.

If you want to appoint more than one proxy electronically then please call Neville Registrars Limited on the number set out in paragraph 8 below.

5. Crimson Tide Share Plan

Participants in the Crimson Tide Share Plan will be contacted separately via the Share Plan Letters around the date of this Document regarding the effect of the Scheme on their rights under the Crimson Tide Share Plan.

6. General

Completion and return of a Form of Proxy, or the appointment of a proxy electronically (using any procedure described in this Document), will not prevent you from attending, speaking and voting in person at either the Court Meeting or the General Meeting.

Upon the Scheme becoming Effective, it will be binding on all Crimson Tide Scheme Shareholders holding Crimson Tide Scheme Shares at the Scheme Record Time, irrespective of whether or not they attended or voted in favour of, or against, the Scheme at the Court Meeting or in favour of, or against, or abstained from voting on the Resolution at the General Meeting.

It is important that, for the Court Meeting in particular, as many votes as possible are cast so that the Court may be satisfied that there is a fair and reasonable representation of the opinion of Crimson Tide Scheme Shareholders.

You are strongly advised to sign and return your BLUE Form of Proxy (by post) for the Court Meeting and your WHITE Form of Proxy (by post) for the General Meeting or (in each case) transmit an electronic proxy appointment and voting instruction (or through CREST) or electronically through www.sharegateway.co.uk by following the instructions set out on the enclosed Forms of Proxy for the Court Meeting and the General Meeting as soon as possible and, in any event, no later than the times and dates set out in paragraph 2 above. Crimson Tide Scheme Shareholders and Crimson Tide Shareholders are strongly encouraged to appoint “the Chair of the meeting” as their proxy for each meeting. The chair of the relevant meeting will vote in accordance with the voting instructions of the appointing Crimson Tide Scheme Shareholder or Crimson Tide Shareholder. If any other person is appointed as proxy, they will be permitted to attend, speak and vote at the Court Meeting and the General Meeting (as applicable).

7. Results of the Meetings

The results of the Court Meeting and of the General Meeting will be announced through a Regulatory Information Service and published on Crimson Tide’s website at www.crimsontide.co.uk/offer as soon as reasonably practicable following the conclusion of each Meeting and once the votes have been counted and verified.

8. Shareholder helpline

If you have any queries about this Document, the Court Meeting or the General Meeting, please call Neville Registrars Limited between 9.00 a.m. and 5.00 p.m. Monday to Friday (except public holidays in England and Wales) on +44 (0)121 585 1131 (if calling from outside of the United Kingdom, please ensure the country code is used). Calls from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. Please note that Neville Registrars Limited cannot provide advice on the merits of the Merger or give any financial, legal or tax advice. Proxy voting queries may also be directed to the Sodali & Co. shareholder helpline on +44 (0) 20 3984 0180.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

The following indicative timetable is based on Crimson Tide's and Checkit's current expected dates for the implementation of the Scheme and is subject to change. If any of the dates and/or times in this expected timetable change, the revised dates and/or times will be notified to Crimson Tide Shareholders by an announcement through a Regulatory Information Service.

<i>Event</i>	<i>Expected time/date⁽¹⁾</i>
Publication of this Document	20 February 2025

Latest time for lodging Forms of Proxy for the:

Court Meeting (BLUE Form of Proxy)	10.00 a.m. on 17 March 2025 ⁽²⁾
General Meeting (WHITE Form of Proxy)	10.30 a.m. on 17 March 2025 ⁽³⁾
Voting Record Time for the Court Meeting and the General Meeting	6.00 p.m. on 17 March 2025 ⁽⁴⁾

Court Meeting	10.00 a.m. on 19 March 2025
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General Meeting	10.30 a.m. on 19 March 2025 ⁽⁵⁾
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The following dates and times associated with the Scheme are subject to change and will depend on, among other things, the date on which the Conditions to the Scheme are satisfied or, if capable of waiver, waived, and the date on which the Court sanctions the Scheme. Crimson Tide will give adequate notice of all of these dates and times, when known, by issuing an announcement through a Regulatory Information Service, with such announcement being made available on Crimson Tide's website at www.crimsontide.co.uk/offer. Further updates and changes to these times will be notified in the same way. See also note (1)

Sanction Hearing to sanction the Scheme	3 April 2025
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Last day of dealings in, and for the registration of transfers of Crimson Tide Shares	4 April 2025
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Scheme Record Time and Date	6.00 p.m. on 4 April 2025
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Disablement of CREST in respect of Crimson Tide Shares	6.00 p.m. on 4 April 2025
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Suspension of admission to trading of, and dealings in Crimson Tide Shares	7.30 a.m. on 7 April 2025
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Effective Date of the Scheme	7 April 2025
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Cancellation of admission to trading of Crimson Tide Shares on AIM	By 8.00 a.m. on 8 April 2025
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Latest date for issue of the Consideration Shares	(within 14 days of the Effective Date)
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Long Stop Date	11.59 p.m. on 30 June 2025 ⁽⁶⁾
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Notes:

(1) The dates and times given are indicative only and are based on current expectations and are subject to change.

References to times are to London, United Kingdom time unless otherwise stated. If any of the times and/or dates above change, the revised times and/or dates will be notified to Crimson Tide Shareholders by announcement through a Regulatory Information Service.

Participants in the Crimson Tide Share Plan will be contacted separately around the date of this Document via the Share Plan Letters to inform them of the effect of the Scheme on their rights under the Crimson Tide Share Plan.

- (2) It is requested that BLUE Forms of Proxy for the Court Meeting be lodged before 10.00 a.m. on 17 March 2025 or, if the Court Meeting is adjourned, not later than 48 hours (excluding any part of such 48-hour period falling on a non-working day) before the time appointed for the holding of the adjourned meeting. However, BLUE Forms of Proxy not so lodged may be: (i) scanned and emailed to Neville Registrars Limited at the following email address: info@nevilleregistrars.co.uk; or (ii) presented in person to the Chair of the Court Meeting or a representative of Neville Registrars Limited who will be present at the Court Meeting, any time prior to the commencement of the Court Meeting (or any adjournment thereof).
- (3) WHITE Forms of Proxy for the General Meeting must be lodged before 10.30 a.m. on 17 March 2025 in order for it to be valid or, if the General Meeting is adjourned, not later than 48 hours (excluding any part of such 48-hour period falling on a non-working day) before the time appointed for the holding of the adjourned meeting. WHITE Forms of Proxy cannot be handed to the Chair of the General Meeting at that meeting.
- (4) If either of the Court Meeting or the General Meeting is adjourned, the Voting Record Time for the relevant adjourned meeting will be 6.00 p.m. on the day which is two days (excluding non-working days) before the date set for the relevant adjourned meeting.
- (5) To commence at 10.30 a.m. or as soon thereafter as the Court Meeting shall have been concluded or adjourned.
- (6) This is the latest date by which the Scheme may become Effective. However, the Long Stop Date may be extended to such later date as may be agreed by Crimson Tide and Checkit (with the Panel's consent and as the Court may approve (if such approval(s) are required)).

PART 1

LETTER FROM THE CHAIR OF CRIMSON TIDE

**Crimson Tide plc
Brockbourne House
77 Mount Ephraim
Tunbridge Wells
England
TN4 8BS**

(Incorporated in England and Wales with registered number 00113845)

Directors:

Jacqueline Karen Daniell	<i>Non-Executive Chair</i>
Philip Douglas James Meyers	<i>Chief Executive Officer</i>
Pieter ("Peter") Maree Hurter	<i>Chief Financial Officer and Company Secretary</i>
Luke Anthony Jeffrey	<i>Chief Technology Officer</i>
Janet Rosemary Morris	<i>Non-Executive Director</i>
James Richard Joyce	<i>Non-Executive Director</i>

20 February 2025

To all Crimson Tide Shareholders and, for information only, to holders of awards and options under the Crimson Tide Share Plan and persons with information rights.

Dear Shareholder

RECOMMENDED ALL-SHARE MERGER

BETWEEN

CRIMSON TIDE PLC

AND

CHECKIT PLC

TO BE EFFECTED BY WAY OF A SCHEME OF ARRANGEMENT UNDER PART 26 OF THE COMPANIES ACT 2006

1. Introduction

On 11 February 2025, the boards of Crimson Tide and Checkit, announced that they had reached agreement on the terms of a recommended all-share merger pursuant to which Checkit will acquire the entire issued and to be issued ordinary share capital of Crimson Tide, to be implemented by way of a Court-sanctioned scheme of arrangement of Crimson Tide under Part 26 of the Companies Act 2006, which requires the approval of Crimson Tide Scheme Shareholders and Crimson Tide Shareholders and the sanction of the Court (the "**Merger**").

I am writing to you today on behalf of the Crimson Tide Board to explain the background to the Merger and the reasons why the Crimson Tide Board consider the terms of the Merger to be fair and reasonable and are unanimously recommending that the Crimson Tide Scheme Shareholders vote in favour of the Scheme at the Court Meeting and the Crimson Tide Shareholders vote in

favour of the Resolution at the General Meeting, as the Crimson Tide Directors holding Crimson Tide Shares have irrevocably undertaken to do in respect of their own beneficial holdings totalling 90,858 Crimson Tide Shares (representing approximately 1.38 per cent. of the existing issued ordinary share capital of Crimson Tide) as the close of business on the Last Practicable Scheme Date.

I would also draw your attention to the letter from Cavendish set out in Part 2 (*Explanatory Statement*) of this Document which gives details about the Merger and to the information set out in Part 7 (*Additional Information*) of this Document and to the notices of the Court Meeting and the General Meeting which are set out at the end of this Document.

Further information relating to the irrevocable undertakings given by the Crimson Tide Directors, including the circumstances in which they may lapse, is set out at paragraph 7 of this Part 1 (*Letter from the Chair of Crimson Tide*), and in paragraph 6 of Part 7 (*Additional Information*) of this Document.

In order to approve the terms of the Merger, Crimson Tide Scheme Shareholders will need to vote in favour of the Scheme at the Court Meeting to be held on 19 March 2025, and Crimson Tide Shareholders will need to pass the Resolution which is to be proposed at the General Meeting (which is also to be held on 19 March 2025), in each case by the requisite majority. The recommendations of the Crimson Tide Directors are set out in paragraph 14 of this letter.

Details of the actions you should take are set out on pages 5 to 8 of this Document, in paragraph 13 below and in paragraph 16 of Part 2 (*Explanatory Statement*) of this Document. The recommendation of the Crimson Tide Board is set out at paragraph 15 of this Part 1 (*Letter from the Chair of Crimson Tide*) of this Document.

It is important that, for the Court Meeting in particular, as many votes as possible are cast so that the Court may be satisfied that there is a fair and reasonable representation of the opinion of Crimson Tide Scheme Shareholders. You are therefore strongly urged to complete, sign and return your Forms of Proxy (or appoint a proxy through the CREST electronic proxy appointment service or electronically through www.sharegateway.co.uk) as soon as possible to ensure your vote is recorded. Doing so will not prevent you from attending, speaking and voting in person at the Meetings if you wish, and are entitled, to do so. Crimson Tide Scheme Shareholders and Crimson Tide Shareholders are also strongly encouraged to appoint “the Chair of the meeting” as their proxy.

Further information in relation to the Court Meeting and the General Meeting is contained in paragraph 9 (*Meetings*) of Part 2 (*Explanatory Statement*) of this Document and the terms of the Scheme are set out in full in Part 4 (*The Scheme of Arrangement*) of this Document.

2. Summary of the terms of the Merger

Under the terms of the Merger, which will be subject to the Conditions and further terms set out in this Document (including but not limited to Part 3 (*Conditions to and Further Terms of the Merger*) and Part 4 (*The Scheme of Arrangement*) of this Document), each Crimson Tide Scheme Shareholder will be entitled to receive:

for each Crimson Tide Share: 6 New Checkit Shares

Immediately following Completion, Crimson Tide Scheme Shareholders will own approximately 26.8 per cent. of the issued share capital of the Combined Group (based on the existing issued share capital of Checkit and the fully diluted share capital of Crimson Tide as at 10 February 2025, being the Last Practicable Announcement Date).

The Exchange Ratio has been based in all material respects on the ratio of Checkit’s current annual recurring revenues (“ARR”) relative to Crimson Tide’s. Based on the Closing Price of 16.5 pence per Checkit Share on 10 February 2025 (being the Last Practicable Announcement Date), the Exchange Ratio represents an implied value of 99 pence per Crimson Tide Share and values the entire issued share capital of Crimson Tide at approximately £6.5 million.

The Crimson Tide Shares will be acquired pursuant to the Merger fully paid and free from all liens, charges, equities, encumbrances, rights of pre-emption and any other interests of any nature whatsoever and together with all rights attaching thereto, including without limitation voting rights and the right to receive and retain in full all dividends and other distributions (if any) announced, declared, made or paid with a record date on or after the Effective Date.

The New Checkit Shares will be issued pursuant to the Merger credited as fully paid and will rank *pari passu* in all respects with the Checkit Shares in issue at the time the New Checkit Shares are issued pursuant to the Merger, including the right to receive and retain dividends and other distributions declared, made or paid by reference to a record date falling after the Effective Date. Application will be made to the London Stock Exchange for the New Checkit Shares to be admitted to trading on AIM.

If, on or after the Announcement Date, and prior to the Effective Date, any dividend, distribution or return of capital or value is declared, made or paid or becomes payable in respect of Crimson Tide Shares with a record date on or before the Effective Date (a “**Crimson Tide Dividend**”), Checkit reserves the right (without prejudice to any other right of Checkit), with the consent of the Panel, to invoke the Condition set out in paragraph 3.7.3 of Part A of Part 3 to reduce the Exchange Ratio accordingly so as to reflect the aggregate value attributable to any such Crimson Tide Dividend. Any exercise by Checkit of its rights to reduce the Exchange Ratio in the circumstances described above shall be the subject of an announcement but, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the terms of the Merger. For the avoidance of doubt, to the extent that a dividend, distribution or other return of value in respect of Crimson Tide Shares has been declared, paid, made or is payable, and is or shall be: (i) transferred pursuant to the Merger on a basis which entitles Checkit to receive the dividend, distribution or other return of value and to retain it; or (ii) cancelled before the Effective Date, the Exchange Ratio payable and the terms of the Merger shall not be subject to change and shall not be reduced in accordance with the above.

3. Information on Checkit

Checkit is a public limited company incorporated in England and Wales on 20 January 1948.

Checkit is the augmented workflow solution for frontline workers and smart sensor automation, enabling large multinational and complex organisations to operate more safely, efficiently and sustainably – driving them towards achieving intelligent operations.

Checkit has hundreds of customers across the globe, including Global Fortune 500 and public health organisations. Checkit's customers are digitising their manual processes through Checkit's highly customisable workflow software and top-of-the-line Internet of Things (“**IoT**”) sensors, increasingly aided by Machine Learning and Artificial Intelligence (“**AI**”). More than 12 billion sensor readings and millions of completed workflows per year are sent through Checkit's platform enabling customers to become more efficient, ensure safety and deliver complete operational visibility.

4. Background to and reasons for the Merger

Background to the Merger

The Checkit Board has for a long time considered there to be compelling strategic and financial reasons for a business combination of Checkit with Crimson Tide and at various times over the last four years engaged in discussions with the Crimson Tide Board.

In January 2024, the Checkit Board submitted an indicative non-binding proposal to the Crimson Tide Board regarding an all-share merger. As a result of the Crimson Tide Board's rejection of such proposal, the Checkit Board published the Possible Offer Announcement on 4 June 2024 to facilitate direct discussions with shareholders of both Crimson Tide and Checkit.

On 21 June 2024 the Crimson Tide Board announced that it had received a conditional and non-binding proposal from Ideagen Limited regarding a possible cash offer for Crimson Tide. Consequently, on 26 June 2024 the Checkit Board announced that it no longer intended to make an offer to acquire Crimson Tide.

On 11 July 2024 the Crimson Tide Board announced that Ideagen Limited no longer intended to make an offer for Crimson Tide. Following Ideagen Limited's withdrawal of interest, the Boards of Crimson Tide and

Checkit re-engaged in discussions regarding the possible benefits of combining the two businesses and engaged in constructive mutual due diligence ahead of the Announcement.

In agreeing the terms of the Merger, the Boards of Crimson Tide and Checkit have calculated the Exchange Ratio based in all material respects on the ratio of Checkit's current ARR relative to Crimson Tide's.

Reasons for the Merger and strategic rationale

The Boards of Checkit and Crimson Tide believe that the combination of their companies presents a compelling strategic opportunity to create a market leader in workflow software solutions, also providing a boost to Checkit's own strategic objectives and a range of benefits to all shareholders of the Combined Group. The key aspects of their rationale for the combination of the two businesses are set out in further detail below.

Strong Checkit management team with a track record of delivery to be enhanced by members of Crimson Tide management

Checkit's management team has proven its ability to deliver against its growth strategy:

- Accelerating US market growth;
- Scaling existing customers by upselling and cross-selling;
- Expanding its presence in the existing verticals it operates in and into new growth markets;
- Growing recurring subscription revenues;
- Driving operating efficiency to accelerate path to profitability; and
- Investing in R&D to drive value creation opportunities.

Checkit's revenue for the year ended 31 January 2025 ("FY25") was £14.0 million (31 January 2024: £12.0 million), representing a year-on-year increase of 17 per cent., as Checkit continues to see strong growth opportunities in the US, where revenues increased by approximately 21 per cent. New booking momentum was strong in the year with £2.1 million of sales booked in the twelve months to 31 January 2025, a 39 per cent. year-on-year increase. ARR as at 31 January 2025 was £14.4 million and cash was approximately £5.1 million.

Checkit believes that its management team will be enhanced by the addition of members of the Crimson Tide management team and further details are set out below.

Provision of enhanced product offering to customers of the Combined Group

The Boards of Checkit and Crimson Tide believe that the combination of Crimson Tide and Checkit's product sets will, in due course, provide an enhanced offering that will benefit both companies' customers. By leveraging Checkit's enhanced research and development and recognised go-to-market capabilities, the Combined Group will be able to benefit from the integration of Crimson Tide's solutions while also expanding the product set available to sell to both new and existing customers. Crimson Tide has stated its ambition to expand its IoT sensor offering and there is an opportunity to leverage Checkit's significant expertise in this area to accelerate these expansion plans, providing a technological edge and streamlining the integration process.

Checkit's strategy has been to focus on increasing market share and driving profitable growth. Its successful land and expand strategy has enhanced its customer base and delivered year on year revenue growth. The success of its long term growth strategy, focusing on expanding verticals and geographies, is demonstrated by the growth in revenues that it has achieved in the key US market. In addition, Checkit has delivered a 36 per cent. compound annual growth rate ("CAGR") in ARR since 2020, providing good visibility over future revenues and accelerating its path to net cash generation.

Checkit has demonstrated that its products are essential for daily workflow and operations and boost productivity, reduce costs and ensure compliance for its clients. In FY25, Checkit significantly enhanced its product offering by launching Asset Intelligence, its AI/ML analytics platform that provides data insights that will enhance the return on investment on its products.

The Boards of Checkit and Crimson Tide believe that Checkit's successful land and expand strategy can be applied to Crimson Tide's existing customer base to accelerate profitable cash generative growth for the Combined Group. Checkit's go-to-market approach of securing blue chip customers with entry size deals, which are then expanded over time providing additional sales and innovative services, can be applied to Crimson Tide's business model to fuel growth. This will enable the Combined Group to better cultivate mid to large size deals within its existing customer base and generate new organic growth opportunities in focussed verticals.

By implementing a rigorous and systematic approach to pipeline generation, the Combined Group would benefit from a more efficient sales cycle, enabling faster revenue generation. Checkit's unique ability to harness customer data enables deeper insights into customer productivity challenges and will allow customers of the Combined Group to benefit from the development of targeted machine learning and artificial intelligence modules that can complement the core product set.

The benefits of this approach are clear. By offering Crimson Tide's range of bespoke solutions along with Checkit's scalable products, the Combined Group will differentiate itself in the market and meet specific customer needs more effectively. This tailored approach can lead to higher customer satisfaction and loyalty, as well as open new revenue streams. Overall, the combination of Crimson Tide and Checkit's product sets, enhanced by Checkit's strategic initiatives, will create a more robust and competitive company with greater growth potential and long-term stability.

Substantial cross-selling and upselling opportunities to customers from a combination of the two businesses, thereby enhancing competitive standing of the Combined Group in a fragmented workflow management systems market over \$17 billion in size

The combination of Checkit and Crimson Tide would present substantial opportunities for cross-selling and upselling Checkit's product suite to Crimson Tide's customer base and vice versa. Crimson Tide's established presence in sectors such as logistics, transportation, healthcare, and retail align well with Checkit's market focus and growth strategy. This alignment not only expands the verticals for the Combined Group but also supports a unified approach to scaling in the US, where Checkit is already well established with a direct sales team delivering 27 per cent. of group ARR.

The ability to offer a broader range of products to customers will allow the Combined Group to position itself as a one-stop shop in a large market, offering integrated solutions that enable inherent efficiency benefits to existing customers whilst opening up further opportunities in new verticals and geographies. This approach, combined with Checkit's innovative use of customer data, will enable the acceleration of growth, and enhance the long-term prospects of the Combined Group.

The combination would enhance the enlarged entity's position in the workflow software solutions market, thereby leveraging the strengths of both organisations for an enhanced competitive advantage.

The market for workflow management systems was valued at US\$17.1 billion in 2024 and is expected to generate a CAGR of 33.5 per cent. between 2024 and 2034¹. Growth in the sector will be driven by innovation and the exploitation of data for management information. With the launch of Asset Intelligence, Checkit is well positioned to benefit from this market trend and applying these insights to Crimson Tide's more bespoke product offering will bring further benefits and growth opportunities to the Combined Group.

Opportunity to realise synergies from a combination of the two businesses

Under the leadership of the Checkit management team with support from Crimson Tide management, the Combined Group is expected to benefit from significant synergies, efficiencies and growth opportunities:

- **Revenue Synergies:** The integration of Checkit and Crimson Tide is expected to unlock revenue synergies from cross-selling and upselling opportunities. By leveraging Checkit's product suite within Crimson Tide's established sectors such as logistics, transportation, healthcare and retail and vice versa, there is the opportunity to drive additional revenue. Offering more comprehensive solutions to existing customers where there is currently no significant degree of overlap between the two companies such as Tesco, Morrisons, Bookers and the NHS should enhance the value proposition and increase the sales opportunity. It will also open further opportunities to expand the addressable market via new verticals and geographies.

¹ Source: Workflow Management System Market Size To Hit USD 307.64 Bn By 2034

- **Cost Synergies:** In order to unlock the significant potential upside from a combination of the two businesses, Checkit management has identified staff and non-staff cost savings in the Combined Group. Elimination of duplicate costs associated with two listings on the London Stock Exchange will provide savings alongside the consolidation of some staff and non-staff functions in sales and marketing, product development, administration and operations which will streamline operations over time and lead to a more efficient and cost-effective organisational structure.
- **Accelerated Growth for Crimson Tide:** Applying Checkit's proven go-to-market strategies, which include both land and expand tactics, and organic growth initiatives, is expected to accelerate Crimson Tide's growth. Checkit's higher ARR growth rate demonstrates its capability to drive revenue expansion effectively. Implementing these strategies within Crimson Tide provides an opportunity to increase Crimson Tide's market penetration and rate of revenue growth.
- **Enhanced Financial Standing:** The Combined Group would, immediately following Completion, boast an ARR of increased scale and a pro forma cash balance (before deal costs) of approximately £7.2 million with the potential for significant future net cash generation. Once profitable, the Combined Group is also expected to grow its profitability faster than either company could as standalone businesses. This enhanced financial position would not only provide stability but also enable strategic investments in innovation and expansion, further reinforcing the Combined Group's financial standing. The robust financial health of the Combined Group should increase investor confidence and provide a solid foundation for sustained long-term profitable growth.

The Combined Group should be a more attractive investment proposition to existing and potential new shareholders

The Boards of Checkit and Crimson Tide believe that the Combined Group with its increased scale and enhanced financial standing would present a more attractive investment opportunity for existing and potential shareholders than either business remaining as standalone entities. The Boards of Checkit and Crimson Tide believe that this, along with the significant potential revenue and cost synergies identified, could result in the Combined Group attracting a wider pool of investors and consequently being attributed higher valuation multiples by the market than either standalone company could reasonably expect to command. A broader investor base could also reasonably be expected to increase liquidity for existing and potential investors.

For the reasons set out above, the Boards of Checkit and Crimson Tide believe that the strategic and financial rationale for the Merger is compelling, in the best interests of both companies' respective shareholders and provides significant opportunities for enhanced value for both sets of shareholders.

5. Background to and reasons for the recommendation of the Crimson Tide Board

The Crimson Tide Directors believe that the proposed Merger with Checkit creates a timely and strategically compelling opportunity to combine two businesses which share much in common. Both businesses provide workflow software and related services with a view to improving and driving efficiencies within client operations, helping them to run their businesses on a more data-centric basis, driving improved decision making, compliance, safety and customer experience. The proposed Merger provides a valuable opportunity therefore to create a market leader in workflow software solutions, enabling Crimson Tide Shareholders to participate in a larger, more resilient and better diversified business, whilst participating fully in anticipated future value accretion, and any potential re-rating.

Accretive opportunities are expected to be considerable post completion. These are largely anticipated to be cost synergies in the short-term, from eliminating duplicated operating costs and costs of Crimson Tide being admitted to trading on AIM. However, in the medium term, revenue synergies are anticipated to arise from combining the proven functionality of mpro5 with Checkit's effective sales and marketing function, enabling accelerated sales and cross-selling opportunities and an enhanced product offering with which to drive Checkit's proven land and expand strategy.

In considering the recommendation of the Merger to the Crimson Tide Shareholders, the Crimson Tide Directors have given due consideration to Checkit's stated intentions with respect to the strategy and future operation of the business as set out in paragraph 5 above. The Crimson Tide Directors welcome Checkit's growth plan to create a market leader in workflow software solutions and its clear commitment to Crimson Tide's current executive team whose expertise will, the Crimson Tide Directors believe, be critical in realising

the shared vision of the Checkit Board and Crimson Tide Board for the Combined Group. The Crimson Tide Directors also welcome the fact that Crimson Tide's Board will have representation on the Board of the Combined Group.

The Crimson Tide Directors also welcome that Checkit has no intention to make material changes to the terms and conditions of employment of Crimson Tide employees as a result of the Merger and that the existing contractual and statutory employment rights, including in relation to pensions, of all of Crimson Tide's management and employees will be fully safeguarded in accordance with applicable law and regulation.

The Crimson Tide Directors note, however, that property footprint rationalisation may occur following Completion and that headcount reductions are anticipated by the removal of duplicative functions across Crimson Tide's administrative and head office functions, as well as in functions such as sales and marketing, operations, and product development. The Crimson Tide Directors note Checkit's clear commitment to involve the senior Crimson Tide management team in the post-merger headcount reduction process and acknowledge that, whilst regrettable, steps of this nature are likely to be necessary in order to achieve the expected benefits of the Merger and welcome that any individuals affected will be subject to full consultation procedures and treated in a manner consistent with the high standards, culture and practices of both Checkit and Crimson Tide. The Crimson Tide Directors further acknowledge the fact that cost savings are expected to be shared within both Crimson Tide and Checkit.

6. Current Trading of Crimson Tide

Crimson Tide was pleased in its interim results for the six months to 30 June 2024 ("**Crimson Tide FY24 Interims**") to report revenue up 3.3 per cent. to £3.14 million (H1 2023: £3.04 million), EBITDA up c209 per cent. at £0.33 million (H1 2023: £0.11 million) and gross margins of 88.2 per cent., up nearly 4 percentage points on the prior year. Crimson Tide has at the same time increased ARR to £5.94 million (FY2023: £5.75 million) with cash reserves healthy at £2.5 million (H1 2023: £2.9 million). Crimson Tide has and will continue to develop and invest in the core mpro5 product such that the product is in the best shape possible, and the Board is confident in its competitive advantage and market readiness.

Crimson Tide further referred to these achievements coming despite the impact of two key client losses in the prior year, both occasioned by factors beyond its control, and the distraction of two unsolicited takeover bids. Crimson Tide also indicated execution risks arising from the limitations of capacity in sales areas, against which investment was being made, and a market-wide pattern of opportunities going to competitive tender and sales cycles generally becoming extended, a feature which has persisted during the second half of FY24.

Crimson Tide has continued to trade in line with the Board's expectations since the date of the Crimson Tide FY24 Interims with the second half of the year unfolding as envisaged, with ARR at the year-end of approximately £5.2 million and cash of approximately £2.1 million. As predicted Crimson Tide experienced further ARR churn in the second half as certain covid-era deals came to an end, though the Crimson Tide Board has taken action to adjust Crimson Tide's cost base in response to changes in its sales cycle and customer requirements, incurring some exceptional costs in doing so, but has been disciplined to ensure that the Company's commitment to ongoing investment in capacity or product was not prejudiced.

Notwithstanding the performance of the business since the FY24 interims the Crimson Tide Board believes that in the current economic climate client buying behaviour is unlikely to improve in the short term, with sales cycles only likely to become more protracted, however well invested the mpro5 platform may be. With that in mind the Crimson Tide Board sees little scope to make top-line progress during the current financial year, with any growth not now anticipated until FY26.

7. Irrevocable undertakings and letters of intent

The Crimson Tide Directors who are interested in Crimson Tide Shares have irrevocably undertaken to vote (or procure votes) in favour of the Scheme at the Court Meeting and in favour of the Resolution to be proposed at the General Meeting, in respect of their own beneficial holdings (or the holdings of certain persons connected with them) of 90,858 Crimson Tide Shares representing, in aggregate, approximately 1.38 per cent. of Crimson Tide's issued ordinary share capital as at the close of business on the Last Practicable Scheme Date.

In addition, Checkit has received an Irrevocable Undertaking to vote in favour of the Scheme at the Court Meeting and to vote in favour of the Resolution to be proposed at the General Meeting in respect of 347,666 Crimson Tide Shares, being approximately 5.29 per cent. of Crimson Tide Shares in issue as at the Last Practicable Scheme Date.

Checkit has also received non-binding letters of support to vote in favour of the Resolution to be proposed at the General Meeting, in respect of 1,358,333 Crimson Tide Shares representing, in aggregate, approximately 20.66 per cent. of Crimson Tide's issued ordinary share capital as at the close of business on the Last Practicable Scheme Date.

Checkit has therefore received Irrevocable Undertakings and letters of intent to vote in favour of the Resolution in respect of a total number of 1,796,857 Crimson Tide Shares representing, in aggregate, approximately 27.33 per cent. of Crimson Tide's issued ordinary share capital as at the close of business on the Last Practicable Scheme Date.

The Merger is conditional, *inter alia*, on an ordinary resolution, granting the Checkit Directors the authority to allot and issue the New Checkit Shares, which resolution is being proposed at the Checkit General Meeting, being passed at such meeting by the requisite majority of Checkit Shareholders.

The Checkit Directors who are interested in Checkit Shares have irrevocably undertaken to vote (or procure votes) in favour of the Checkit Resolution to be proposed at the Checkit General Meeting in respect of their own beneficial holdings (or the holdings of certain persons connected with them) of 21,966,976 Checkit Shares representing, in aggregate, approximately 20.34 per cent. of Checkit's issued ordinary share capital as at the close of business on the Last Practicable Scheme Date.

Further details of these irrevocable undertakings and letters of intent (including the circumstances in which the irrevocable undertakings will cease to be binding or otherwise fall away) are set out in paragraph 6 of Part 7 (Additional Information) of this Document.

Further details in relation to the Checkit General Meeting, and the Checkit Resolution to be proposed at that meeting, are contained in the Checkit Circular which is being posted to Checkit Shareholders at around the same time as the publication of this document. It is currently expected that the Checkit General Meeting will be held at 10.00 a.m. on 19 March 2025 at Riverbank House, 2 Swan Lane, London EC4R 3TT. The Checkit Circular is one of a number of documents which will be available (subject to certain restrictions relating to persons in Restricted Jurisdictions) free of charge at the websites of either Checkit at www.checkit.net or Crimson Tide at www.crimsontide.co.uk until the end of the Offer Period.

8. Checkit's intentions for the Crimson Tide business

Checkit's strategic plans for Crimson Tide

As set out in paragraph 4 (Background to and reasons for the Merger), the Boards of Checkit and Crimson Tide believe that the Merger has a compelling strategic rationale, with the key aspects of the Checkit Board's growth plan to create a market leader in workflow software solutions as follows:

- Crimson Tide's mpro5 product with Checkit branding will be retained for at least the first 12 months following Completion and run during that period separate to the ecosystem for Checkit's existing product suite. Thereafter, the Checkit Board may integrate mpro5 into the Combined Group's wider offering (including application of Checkit's expertise in IoT machine learning to the mpro5 product), such that it can be sold increasingly alongside Checkit's existing product suite, with cross-selling opportunities expected to arise as a result.
- Crimson Tide's sales and marketing function will be integrated into Checkit's existing go-to-market direct sales infrastructure. The Checkit Board believes that the application of Checkit's successful land and expand strategy can be applied to Crimson Tide, thereby accelerating the Combined Group's profitable cash generative growth.
- Crimson Tide's US footprint will be integrated into Checkit's already well-established existing US go-to-market direct sales offering.
- Checkit will apply its customer success programme to Crimson Tide's customer base which is expected to increase cross-selling and upselling opportunities across the customer base of the Combined Group.

Board of the Combined Group

Subject to Completion, it is proposed that, following the Effective Date, the Checkit Board will comprise:

- Keith Daley, currently Non-Executive Chairman of Checkit, who will remain Non-Executive Chairman of Checkit;
- Kit Kyte, currently Chief Executive Officer of Checkit, who will remain Chief Executive Officer of Checkit;
- Kris Shaw, currently Chief Financial Officer of Checkit, who will remain Chief Financial Officer of Checkit;
- Alex Curran, currently Non-Executive Director of Checkit, who will remain Non-Executive Director of Checkit; and
- Jacqueline Daniell, currently Non-Executive Chairman of Crimson Tide, will join the Checkit Board as a Non-Executive Director.

Upon Completion, the other Non-Executive Directors of Crimson Tide would be expected to resign and from that point cease to be directors of Crimson Tide. The executive directors of Crimson Tide are expected to resign from their roles as directors of Crimson Tide but will be appointed to the following senior management roles within the Combined Group:

- Phil Meyers, currently Chief Executive Officer of Crimson Tide, will be appointed as global Chief Operating officer of the Combined Group;
- Luke Jeffrey, currently Chief Technology Officer of Crimson Tide, will be appointed as Chief Technology Officer of the Combined Group; and
- Peter Hurter, currently Chief Financial Officer of Crimson Tide, will be appointed as head of the integration process of Crimson Tide into Checkit and will be employed by the Combined Group for a period to be agreed from Completion.

Employees and management

Checkit recognises the contribution made by existing Crimson Tide management and employees to Crimson Tide's development to date, however, in order to recognise the significant potential upside from a combination of the two businesses, Checkit management has identified staff cost savings in the Combined Group.

Subject to the Merger completing, Checkit proposes that, following Completion, and as set out in the preceding paragraph, the board of the Combined Group will consist of the existing members of the Checkit Board with the addition of Jacqueline Daniell, currently Non-Executive Chair of Crimson Tide, who will join the Checkit Board as a Non-Executive Director. Upon Completion, the other Non-Executive directors of Crimson Tide are expected to resign and from that point cease to be directors of Crimson Tide. The executive directors of Crimson Tide, being Phil Meyers, Luke Jeffrey and Peter Hurter, are expected to resign from their roles as directors of Crimson Tide but will be appointed to the senior management roles within the Combined Group.

Ahead of the Announcement, Checkit conducted detailed due diligence on Crimson Tide's operations and employees and has made an assessment on the future prospects of the Combined Group. This has included a detailed review with Crimson Tide management to identify potential cost synergies from a combination of the two companies, including identifying duplicate and redundant positions thereby informing the process for integrating the Crimson Tide business into the operations of Checkit.

Checkit's analysis during due diligence identified potential cost synergies across Checkit and Crimson Tide due to a degree of duplication within certain functions between the two companies and certain existing roles within Crimson Tide that will no longer be necessary to the Combined Group. In order to streamline operations in the Combined Group and to realise the benefits of the Merger, Checkit will make headcount reductions in Crimson Tide following Completion. Checkit has not as yet formulated its plans as to the number of headcount reductions it will make in Crimson Tide and intends to assess on Completion, in coordination with Crimson Tide management, the extent to which headcount reductions are necessary. Based on Checkit's analysis to date, it expects that headcount reductions in Crimson Tide following Completion will be between 5 and 10 employees (from 36 employees as at the date of the Announcement) with these expected to be in the areas of sales and marketing, product development, head office administrative functions and operations in order of materiality. As part of its analysis, Checkit has conducted

a review of Crimson Tide's existing US operations and has worked with Crimson Tide to evaluate the opportunities that Crimson Tide's market presence provides in the context of Checkit's existing US strategy. Checkit expects that the Combined Group will have a reduced overall sales and marketing presence in the US thereby reducing the losses currently incurred by Crimson Tide in the US.

Following Completion, Checkit also intends to make some reductions to the existing Checkit headcount with Checkit management also intending to implement these reductions regardless of the Merger completing. By consolidating operations across the two companies, Checkit intends to streamline operations in the Combined Group which Checkit believes will lead to a more efficient and cost-effective organisational structure.

No proposals have been finalised yet as to how any such headcount reductions will be implemented but Checkit intends to work with Crimson Tide's management to this effect following Completion. During the integration period following Completion, Checkit intends to complete a comprehensive organisational review, engagement and planning exercise which will involve a range of stakeholders, including any affected employees and any appropriate employee representative bodies. Checkit's intention is to approach management and employee integration with the aim of retaining and motivating the best talent to augment its focus on creating a best-in-class organisation.

No headcount reductions will proceed without comprehensive planning or the appropriate conclusion of all applicable information and consultation procedures with employees and their representatives. Checkit confirms that the intention is for any individuals impacted to be treated in a manner consistent with Checkit and Crimson Tide's high standards and culture and that Checkit will observe Crimson Tide's existing redundancy practices and policies, including undertaking appropriate consultation with affected employees.

The Checkit Board confirms that, upon the Merger completing, the existing contractual and statutory employment rights, including pension rights, of all management and employees of Crimson Tide will be fully safeguarded.

Existing employment rights and pensions

Checkit confirms that, following completion of the Merger, the existing statutory and contractual rights and terms and conditions of employment of management and employees of Crimson Tide, including in relation to pensions, will be fully safeguarded in accordance with applicable law. Checkit has no intention to make any material modifications to the conditions of employment of management or employees of the Crimson Tide Group, unless otherwise agreed upon with the respective employees. There are no plans to make any immediate changes to any defined contribution scheme(s) operated by Crimson Tide but in due course Checkit would expect to harmonise terms between the two businesses.

Incentivisation and retention arrangements

Checkit believes that the ongoing participation of senior management of Crimson Tide is important to the future success of Crimson Tide. No discussions in relation to incentivisation arrangements have yet taken place and no discussions are expected to take place prior to completion of the Merger, but Checkit intends to put in place appropriate arrangements for selected members of senior management of the Crimson Tide Group following completion of the Merger. Such incentivisation would be expected to include the granting of Checkit options following Completion.

Location of business, fixed assets and headquarters; research and development

The Checkit Board recognises the importance of a global office network for the Combined Group. The growing importance of a distributed workforce, whether in the office, remote or at a customer site is changing the needs of, and providing flexibility for, both the employee and the customer.

The Checkit Directors intend that, following completion of the Merger, the Combined Group should regularly review its property footprint alongside the best working practices and commitments on ESG to optimise office space across each region in which the Combined Group operates.

Following completion of the Merger, Checkit intends to commence a review in relation to the Combined Group's office space. No decisions have yet been reached, but this review is likely to lead to a rationalisation and closure of Crimson Tide's current office space in Tunbridge Wells, Dublin and any presence in the US.

The Checkit Directors intend that Checkit's office in Cambridge will be the corporate headquarters for the Combined Group.

Following completion of the Merger, Checkit intends to commence a review of Crimson Tides new product development function. Checkit's expectation is that this review will result in some rationalisation of Crimson Tide's existing product development roadmap, and this will likely result in reduced third party development expenditure.

Trading Facilities

Crimson Tide Shares are admitted to trading on the London Stock Exchange's AIM market. As set out in paragraph 10 (Delisting and re-registration), it is intended that an application will be made for the cancellation of trading of the Crimson Tide Shares on the London Stock Exchange's AIM market to take effect on or shortly after the Effective Date.

It is intended that Crimson Tide be re-registered as a private limited company on, or as soon as practicable following, the Effective Date.

Name of Checkit

On Completion, Checkit intends that the name of Checkit will remain Checkit plc.

Statements

None of the statements in this paragraph 8 are "post-offer undertakings" for the purposes of Rule 19.5 of the Takeover Code.

9. Share Plan

The Merger will extend to any Crimson Tide Shares which are unconditionally allotted, issued or transferred prior to the Scheme Record Time to satisfy the exercise of options or awards granted under the Crimson Tide Share Plan.

Participants in the Crimson Tide Share Plan will be contacted regarding the effect of the Merger on their options and awards under the Crimson Tide Share Plan.

It is not anticipated that the participants in the Crimson Tide Share Plan will exercise their options to receive Crimson Tide Shares as the exercise price in respect of all outstanding options currently exceeds the value of the Consideration.

10. Delisting and re-registration

It is intended that the London Stock Exchange will be requested to cancel trading in Crimson Tide Shares on the London Stock Exchange's AIM market on or shortly after the Effective Date.

The last day of dealings in Crimson Tide Shares on AIM is expected to be the Business Day immediately prior to the Effective Date and no transfers will be registered after 6.00 p.m. (London time) on that date.

On the Effective Date, Crimson Tide will become a wholly-owned subsidiary of Checkit and share certificates in respect of Crimson Tide Shares will cease to be valid and should be destroyed. In addition, entitlements held within CREST to the Crimson Tide Shares will be cancelled on the Effective Date.

Upon the Scheme becoming Effective, Checkit will acquire the Crimson Tide Shares fully paid and free from all liens, charges, equitable interests, encumbrances and rights of pre-emption and any other interests of any nature whatsoever and together with all rights attaching thereto including the right to receive and retain all dividends and distributions declared, made or paid by reference to a record date after the Effective Date.

It is intended that Crimson Tide will be re-registered as a private limited company and for this to take effect as soon as practicable on or following the Effective Date.

11. United Kingdom Taxation

Your attention is drawn to Part 6 (*United Kingdom Taxation*) of this Document which contains a summary of Crimson Tide's understanding of limited aspects of the anticipated UK tax treatment of the Scheme. This Document is intended as a general guide only and does not constitute tax or legal advice, nor does it purport to be a complete analysis of all potential UK tax consequences of the Scheme. You are strongly advised to consult an appropriately qualified independent professional tax adviser to obtain professional tax advice in relation to your own tax position.

12. Overseas Shareholders

Overseas shareholders should refer to paragraph 14 of Part 2 (*Explanatory Statement*) of this Document, which contains important information relevant to such holders.

13. Action to be taken

Details in relation to the approvals being sought at the Court Meeting and the General Meeting and the action to be taken by Crimson Tide Scheme Shareholders and Crimson Tide Shareholders in respect of the Merger and the Scheme is set out on pages 5 to 8 of this Document and in paragraph 16 of Part 2 (*Explanatory Statement*) of this Document.

Details relating to the cancellation of listing of the Crimson Tide Shares are included in paragraph 10 of Part 1 (*Letter from the Chair of Crimson Tide*) of this Document.

14. Further information

Your attention is drawn to the letter from Cavendish set out in Part 2 (*Explanatory Statement*) of this Document (being the explanatory statement made in compliance with section 897 of the Companies Act 2006), Part 3 (*Conditions to and further terms of the Merger*), Part 4 (*The Scheme of Arrangement*), Part 6 (*Taxation*) and Part 7 (*Additional Information*) and the notices of the Meetings set out in Part 11 (*Notice of Court Meeting*) and Part 12 (*Notice of General Meeting*) which give further details about the Merger and the terms of the Scheme. Please note that reading this letter or the Explanatory Statement in Part 2 of this Document is not a substitute for reading the remainder of this Document.

A copy of this Document (and all information incorporated into this Document by reference to another source) and the Forms of Proxy will be available, subject to certain restrictions relating to overseas shareholders in Restricted Jurisdictions, for inspection on (as applicable) Crimson Tide's website at www.crimsontide.co.uk/offer and, subject to certain applicable securities laws, hard copies can be requested by contacting Neville Registrars Limited, whose contact details are set out on page 8 of this Document.

You are advised to read the whole of this Document and not just to rely on the summary information in this letter.

15. Recommendation

The Crimson Tide Directors, who have been so advised by Cavendish as to the financial terms of the Merger, unanimously consider the terms of the Merger to be fair and reasonable. In providing its advice to the Crimson Tide Directors, Cavendish has taken into account the commercial assessments of the Crimson Tide Directors. Cavendish is providing independent financial advice to the Crimson Tide Directors for the purposes of Rule 3 of the Takeover Code.

Accordingly, the Crimson Tide Directors intend to recommend unanimously that Crimson Tide Scheme Shareholders vote in favour of the Scheme at the Court Meeting and the Crimson Tide Shareholders vote in favour of the Resolution to be proposed at the General Meeting, as those Crimson Tide Directors who are interested in Crimson Tide Shares have irrevocably undertaken to do in respect of their own beneficial holdings (or have undertaken to procure the vote in respect of the Crimson Tide Shares in which certain of their connected persons are interested) of 90,858 Crimson Tide Shares representing, in aggregate, approximately 1.38 per cent. of Crimson Tide's issued ordinary share capital as at the close of business on the Last Practicable Announcement Date.

Further details of these irrevocable undertakings are set out in paragraph 6 of Part 7 (*Additional Information*) of this Document.

Yours faithfully

Jacqueline Daniell
Non-Executive Chair

PART 2

EXPLANATORY STATEMENT

Cavendish

(in compliance with section 897 of the Companies Act 2006)

Cavendish Capital Markets Limited
1 Bartholomew Close
London, England
EC1A 7BL

20 February 2025

To all Crimson Tide Shareholders and, for information only, to holders of awards and options under the Crimson Tide Share Plan and persons with information rights.

Dear Shareholder

RECOMMENDED ALL-SHARE MERGER BETWEEN CRIMSON TIDE PLC AND CHECKIT PLC

1. Introduction

On 11 February 2025, the boards of Crimson Tide and Checkit, announced that they had reached agreement on the terms of a recommended all-share merger under which Checkit would acquire the entire issued and to be issued ordinary share capital of Crimson Tide, to be implemented by way of a Court-sanctioned scheme of arrangement of Crimson Tide under Part 26 of the 2006 Act, which requires the approval of Crimson Tide Scheme Shareholders and Crimson Tide Shareholders and the sanction of the Court (the “**Merger**”).

We have been authorised by the Crimson Tide Board to write to you to explain the terms of the Merger and to provide you with other relevant information. The Crimson Tide Directors have been advised by Cavendish in relation to the financial terms of the Merger. Cavendish is not advising any Crimson Tide Director in their personal capacity nor any Crimson Tide Shareholder in relation to the Merger or in relation to any other matter or arrangement referred to herein.

The Scheme requires, among other things, the approval of the Crimson Tide Scheme Shareholders at the Court Meeting and the Crimson Tide Shareholders at the General Meeting as well as the sanction of the Court.

Your attention is drawn to the letter from the Chair of Crimson Tide, Jacqueline Daniell, set out in Part 1 (Letter from the Chair of Crimson Tide) of this Document, which forms part of this Explanatory Statement. That letter contains, among other things, (a) information on the background to and reasons for the Merger; and (b) the unanimous recommendation by the Crimson Tide Directors to Crimson Tide Scheme Shareholders to vote in favour of the Scheme at the Court Meeting and to Crimson Tide Shareholders to vote in favour of the Resolution to approve and implement the Merger to be proposed at the General Meeting.

This Explanatory Statement contains a summary of the provisions of the Scheme. Your attention is also drawn to the other parts of this Document, which are deemed to form part of this Explanatory Statement, including Part 1 (*Letter from the Chair of Crimson Tide*), Part 3 (*Conditions to and Further Terms of the Merger*), Part 5 (*Financial Information and Ratings*), Part 6 (*Taxation*) and Part 7 (*Additional Information*) of this Document. The Scheme is set out in full in Part 4 (*The Scheme of Arrangement*) of this Document.

Statements made or referred to in this Document regarding Checkit's reasons for the Merger, information concerning the business of Checkit, the financial effects of the Merger on Checkit and/or intentions or expectations of or concerning Checkit, reflect the views of the Checkit Directors.

Statements made or referred to in this Document regarding the background to and reasons for the recommendation of the Crimson Tide Directors, information concerning the business of the Crimson Tide Group and/or intentions or expectations of or concerning the Crimson Tide Group prior to completion of the Merger, reflect the views of the Crimson Tide Directors.

2. Summary of the terms of the Merger

Under the terms of the Merger, which will be subject to the Conditions and further terms set out in this Document (including but not limited to Part 3 (*Conditions to and Further Terms of the Merger*) and Part 4 (*The Scheme of Arrangement*) of this Document), each Crimson Tide Scheme Shareholder will be entitled to receive:

for each Crimson Tide Share: six (6) New Checkit Shares

Based on the Exchange Ratio and the Closing Price of 16.5 pence per Checkit Share on the Last Practicable Announcement Date, the Merger implies an offer value of 99 pence per Scheme Share and values Crimson Tide's entire issued ordinary share capital at approximately £6.5 million.

Immediately following Completion, Crimson Tide Scheme Shareholders will own approximately 26.8 per cent. of the issued share capital of the Combined Group (based on the existing issued share capital of Checkit and the fully diluted share capital of Crimson Tide as at 10 February 2025, being the Last Practicable Announcement Date).

The Crimson Tide Shares will be acquired pursuant to the Merger fully paid and free from all liens, charges, equities, encumbrances, rights of pre-emption and any other interests of any nature whatsoever and together with all rights attaching thereto, including without limitation voting rights and the right to receive and retain in full all dividends and other distributions (if any) announced, declared, made or paid with a record date on or after the Effective Date.

If, on or after the Announcement Date and before the Effective Date, any dividend and/or other distribution and/or other return of capital or value is announced, declared, made or paid or becomes payable in respect of the Crimson Tide Shares, Checkit reserves the right to reduce the consideration payable under the terms of the Merger for the Crimson Tide Shares by an amount up to the aggregate amount of such dividend and/or distribution and/or other return of capital or value, in which case any reference in this Document to the consideration payable under the terms of the Merger will be deemed to be a reference to the consideration as so reduced. Any exercise by Checkit of its rights referred to in this paragraph shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the terms of the Scheme or the Merger. In such circumstances, Crimson Tide Shareholders would be entitled to retain any such dividend, distribution and/or other return of capital or value.

3. Information on Crimson Tide

Crimson Tide is the provider of mpro5, the process management app. mpro5 is delivered on all modern devices and enables organisations to digitally transform their business with a view to improving customer experience, safety and compliance and operational efficiency. In doing so Crimson Tide is able to help customers overcome inefficiencies, unlocking substantial cost savings and productivity gains whilst strengthening customer workforces with smart mobile working. Integrating with IoT sensors (such as temperature, or humidity) mpro5 provides customers with a strong data foundation enabling them to make informed and actionable decisions about their day to day operations.

Crimson Tide is trusted by businesses across a wide variety of verticals including facilities management, transportation, catering, retail and healthcare estates and is currently deployed in over 260,000 sites in 11 countries.

mpro5 offers Crimson Tide's customers a highly scalable and secure solution, hosted in the cloud on Microsoft Azure. mpro5 is typically provided on a long term contracted monthly subscription basis, whilst the Crimson Tide team is also able to provide maintenance and customer specific adaptations of the solution, allowing organisations to further refine and adapt their processes to maximise efficiency and return on their investment in mpro5, ultimately driving contract renewal and customer longevity.

4. Current trading

Further details on Crimson Tide's current trading can be found at paragraph 6 of Part 1 (*Letter from the Chair of Crimson Tide*) of this Document.

5. Information on Checkit

The current directors of Checkit are Keith Daley, Non-Executive Chairman of Checkit, Kit Kyte, Chief Executive Officer of Checkit, Kris Shaw, Chief Financial Officer of Checkit, and Alex Curran, Non-Executive Director of Checkit.

Checkit is a public limited company incorporated in England and Wales on 20 January 1948.

Checkit is the augmented workflow solution for frontline workers and smart sensor automation, enabling large multinational and complex organisations to operate more safely, efficiently and sustainably – driving them towards achieving intelligent operations.

Checkit has hundreds of customers across the globe, including Global Fortune 500 and public health organisations. Checkit's customers are digitising their manual processes through Checkit's highly customisable workflow software and top-of-the-line Internet of Things ("IoT") sensors, increasingly aided by Machine Learning and Artificial Intelligence ("AI"). More than 12 billion sensor readings and millions of completed workflows per year are sent through Checkit's platform enabling customers to become more efficient, ensure safety and deliver complete operational visibility.

6. Crimson Tide Share Plan

It is not anticipated that the participants in the Crimson Tide Share Plan will exercise their options to receive Crimson Tide Shares as the exercise price in respect of all outstanding options currently exceeds the value of the Consideration.

7. Description of the Scheme

The Merger is expected to be implemented by way of a Court-sanctioned scheme of arrangement between Crimson Tide and the Crimson Tide Scheme Shareholders under Part 26 of the 2006 Act, although Checkit reserves the right to implement the Merger by means of an Offer (subject to obtaining the consent of the Panel). The procedure requires approval by Crimson Tide Scheme Shareholders at the Court Meeting and approval of the Resolution by the Crimson Tide Shareholders at the General Meeting, and sanction of the Scheme by the Court. The Scheme is set out in full in Part 4 (*The Scheme of Arrangement*) of this Document.

The purpose of the Scheme is to provide for Checkit to become the owner of the entire issued and to be issued share capital of Crimson Tide. This is to be achieved by the transfer of the Crimson Tide Scheme Shares held by the Crimson Tide Scheme Shareholders as at the Scheme Record Time to Checkit, in consideration for which Checkit will allot and issue the New Checkit Shares on the basis described in paragraph 2 of this Part 2 (*Explanatory Statement*) of this Document.

The implementation of the Scheme is subject to the Conditions and certain further terms set out in Part 3 (*Conditions to and Further Terms of the Merger*) of this Document, and will only become Effective if, among other things, the following events occur on or before 11.59 p.m. on the Long Stop Date (or such later date as Checkit and Crimson Tide may, with the consent of the Panel, agree and, if required, the Court may approve):

- a resolution to approve the Scheme is passed by a majority in number of Crimson Tide Scheme Shareholders entitled to vote and present and voting, in person or by proxy, at the Court Meeting representing not less than 75 per cent. in value of the Crimson Tide Scheme Shares voted (or at any

adjournment of such meeting) on or before 19 March 2025 (or such later date, if any, as may be agreed between Checkit and Crimson Tide and, if required, the Court may allow);

- the Resolution is passed by the requisite majority of Crimson Tide Shareholders at the General Meeting to be held on or before 19 March 2025 (or such later date, if any, as Checkit and Crimson Tide may agree and, if required, the Court may allow) (which will require the approval of Crimson Tide Shareholders representing at least 75 per cent. of the votes cast at the General Meeting either in person or by proxy);
- following the Meetings, the Scheme with or without modification (but subject to any such modification being acceptable to Checkit and Crimson Tide) is sanctioned by the Court at the Sanction Hearing; and
- following such sanction, a copy of the Court Order is delivered to the Registrar of Companies.

Once the necessary approvals from the Crimson Tide Scheme Shareholders and the Crimson Tide Shareholders have been obtained and the other Conditions have been satisfied or (where applicable) waived and the Scheme has been approved by the Court, the Scheme will become Effective upon delivery of the Court Order to the Registrar of Companies. The Meetings and the nature of the approvals required to be given at them are described in more detail in paragraph 11 of this Part 2 (*Explanatory Statement*).

Upon the Scheme becoming Effective: (i) it will be binding on all Crimson Tide Scheme Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the General Meeting, and if they attended and voted, whether or not they voted in favour of, or against, or abstained from voting on the Scheme at the Court Meeting or the Resolution to be proposed at the General Meeting; (ii) share certificates in respect of Crimson Tide Shares will cease to be valid; and (iii) entitlements to Crimson Tide Shares held within the CREST system will be cancelled.

Any Crimson Tide Shares issued before the Scheme Record Time will be subject to the terms of the Scheme. The Resolution, amongst other matters, provides that the Crimson Tide Articles be amended to incorporate provisions requiring any Crimson Tide Shares issued at or after the Scheme Record Time (other than to Checkit and/or its nominees) to be automatically transferred to Checkit on the same terms as under the Merger (other than terms as to timings and formalities). The provisions of the Crimson Tide Articles (as amended) will avoid any person (other than Checkit and/or its nominees) holding shares in the capital of Crimson Tide after the Effective Date.

If the Scheme does not become Effective by 11.59 p.m. on the Long Stop Date (or such later date as Crimson Tide and Checkit may, with the consent of the Panel, agree and, if required, the Court may approve), it will lapse, the Scheme will not become Effective and the Merger will not proceed.

Any Crimson Tide Shares which Checkit may acquire prior to the Court Meeting or the General Meeting (and any Crimson Tide Shares which any member of the Checkit Group (or its nominees) holds at the date of the Court Meeting or General Meeting) are not Crimson Tide Scheme Shares and therefore no member of the Checkit Group (or its nominees) is entitled to vote at the Court Meeting in respect of the Crimson Tide Shares held or acquired by them and will not exercise the voting rights attaching to these Crimson Tide Shares at the General Meeting.

8. Crimson Tide Directors and senior manager and the effect of the Scheme on their interests

Shareholdings and irrevocable undertakings

Checkit has received irrevocable undertakings from the Crimson Tide Directors who hold Crimson Tide Shares to vote (or, where applicable, procure voting) in favour of the Resolution relating to the Scheme and the Merger at the Meetings (or in the event that the Merger is implemented by an Offer, to accept or procure acceptance of such Offer), in respect of, in aggregate, 90,858 Crimson Tide Shares (representing approximately 1.38 per cent. of the existing issued ordinary share capital of Crimson Tide) as at 10 February 2025, being the Last Practicable Announcement Date. These undertakings will remain binding in the event that a higher competing offer for Crimson Tide is made.

The undertakings from the Crimson Tide Directors will cease to be binding only:

- (i) If Checkit announces, with the consent of the Panel, that it does not intend to proceed with the Merger;

- (ii) if any competing offer for Crimson Tide becomes or is declared unconditional in all respects or otherwise becomes effective; or
- (iii) on and from the earlier of (a) the Long Stop Date or (b) the time and date on which the Merger is withdrawn, lapses or otherwise terminates in accordance with its terms (provided that the reason is not because Checkit has elected to proceed by way of an Offer rather than by way of a Scheme or vice versa).

Further details of the interests of the Crimson Tide Directors in Crimson Tide Shares are set out in paragraph 4(c) of Part 7 (*Additional Information*) of this Document. Crimson Tide Scheme Shares held by the Crimson Tide Directors at the Scheme Record Time will be subject to the Scheme.

Particulars of the service agreements (including termination provisions) and letters of appointment of the Crimson Tide Directors are set out in paragraph 9 of Part 7 (*Additional Information*) of this Document.

It is intended that, from the Effective Date, each of the non-executive Crimson Tide Directors will resign from their office.

Save as set out above, the effect of the Scheme on the interests of Crimson Tide Directors does not differ from its effect on the like interests of any other Crimson Tide Shareholder.

9. Meetings

(a) ***Crimson Tide Shareholder approvals***

The Merger is subject to the approval of Crimson Tide Scheme Shareholders by the passing of a resolution at the Court Meeting. The Scheme must be approved by a majority in number of the Crimson Tide Scheme Shareholders entitled to vote and present and voting, either in person or by proxy, representing not less than 75 per cent. in value of the Scheme Shares voted by such Crimson Tide Scheme Shareholders. In addition, the Resolution must be passed at the General Meeting to authorise the Crimson Tide Directors to (a) implement the Scheme (b) amend the Crimson Tide Articles and (c) re-register Crimson Tide as a private limited company, as described in paragraph 10 of this Part 2 (*Explanatory Statement*) below. To be passed the Resolution requires the approval of Crimson Tide Shareholders present and voting (either in person or by proxy) representing at least 75 per cent. of the votes cast at the General Meeting.

(i) *The Court Meeting*

The Court Meeting has been convened at the direction of the Court for 10.00 a.m. on 19 March 2025 to enable Crimson Tide Scheme Shareholders to consider and, if thought fit, approve the Scheme.

At the Court Meeting, voting will be by poll and each Crimson Tide Scheme Shareholder present in person or by proxy will be entitled to one vote for each Scheme Share held as at the Voting Record Time. The approval required at the Court Meeting is a majority in number of the Crimson Tide Scheme Shareholders present and voting, either in person or by proxy, representing not less than 75 per cent. in value of the Scheme Shares held by such Crimson Tide Scheme Shareholders for which votes are cast.

It is important that, for the Court Meeting in particular, as many votes as possible are cast so that the Court may be satisfied that there is a fair and reasonable representation of the opinion of the Crimson Tide Scheme Shareholders. You are therefore urged to complete and return your Form of Proxy, in particular your BLUE Form of Proxy, or to submit a proxy via CREST or electronically via www.sharegateway.co.uk as soon as possible, in each case appointing the chair of the Court Meeting as your proxy. Crimson Tide Shareholders are strongly encouraged to vote by appointing the chair of the relevant Meeting as your proxy. Doing so will not prevent you from attending, speaking and voting in person at either the Court Meeting or the General Meeting, or any adjournment thereof.

(ii) *The General Meeting*

In addition to the Court Meeting, the General Meeting has been convened for 10.30 a.m. on 19 March 2025 or as soon thereafter as the Court Meeting has concluded or is adjourned, for Crimson Tide Shareholders to consider and, if thought fit, pass, the Resolution necessary to implement the Scheme and certain related matters. The Resolution is proposed to:

- (A) authorise the Crimson Tide Board to take all such actions as are necessary or appropriate for implementing the Scheme;
- (B) amend the Crimson Tide Articles in the manner described in paragraph 12 of this Part 2 (*Explanatory Statement*) of this Document; and
- (C) re-register Crimson Tide as a private limited company with the name “Crimson Tide Limited”.

Voting on the Resolution will be by poll, and each Crimson Tide Shareholder present in person or by proxy will be entitled to one vote for every Crimson Tide Share held as at the Voting Record Time. The approval required for the Resolution to be passed is at least 75 per cent. of the votes cast on the Resolution.

The quorum for the General Meeting will be two or more Crimson Tide Shareholders present in person or by proxy.

Further details in relation to the action to be taken by Crimson Tide Shareholders are set out on pages 5 to 8 of this Document and in paragraph 16 of this Part 2 (*Explanatory Statement*) of this Document.

You will find the Notice(s) of the Court Meeting and of the General Meeting set out in Part 11 (*Notice of Court Meeting*) of this Document and Part 12 (*Notice of General Meeting*) of this Document, respectively.

(b) ***Sanction Hearing to sanction the Scheme***

Under the 2006 Act, the Scheme also requires the sanction of the Court. The Scheme shall lapse if:

- (i) the Court Meeting and the General Meeting are not held by the 22nd day after the expected date of the Court Meeting and the General Meeting on 19 March 2025 (or such later date as may be agreed between Checkit and Crimson Tide);
- (ii) the Sanction Hearing is not held by the 22nd day after the expected date of the Sanction Hearing (or such later date as may be agreed between Checkit and Crimson Tide); or
- (iii) the Scheme does not become Effective by 11.59 p.m. on the Long Stop Date (or such later date as may be agreed between Checkit and Crimson Tide and the Panel and the Court may allow),

provided however that the deadlines for the timing of the Court Meeting, the General Meeting and the Sanction Hearing as set out above may be waived by Checkit, and the deadline for the Scheme to become Effective may be extended by agreement between Checkit and Crimson Tide and, if required, as the Panel and the Court may allow.

Following sanction of the Scheme by the Court, the Scheme will become Effective in accordance with its terms upon a copy of the Court Order being delivered to the Registrar of Companies. This is presently expected to occur on or before the date falling three Business Days after the date of the Sanction Hearing, subject to the satisfaction (or, where applicable, waiver) of the Conditions.

Crimson Tide and/or Checkit will make an announcement through a Regulatory Information Service as soon as practicable following the Scheme becoming Effective.

Upon the Scheme becoming Effective, it will be binding on all Crimson Tide Scheme Shareholders holding Scheme Shares at the Scheme Record Time, irrespective of whether or not they attended or voted in favour of, or against, the Scheme at the Court Meeting or in favour of, or against, or abstained from voting on the Resolution at the General Meeting.

If the Scheme does not become Effective by the Long Stop Date, the Scheme will never become Effective.

(c) ***Modifications to the Scheme***

The Scheme contains a provision for Crimson Tide and Checkit jointly to consent on behalf of all persons concerned to any modification of, or addition to, the Scheme or to any condition approved or imposed by the Court. The Court would be unlikely to approve any modification of, or additions to, or impose a condition to the Scheme which might be material to the interests of the Crimson Tide Scheme Shareholders unless Crimson Tide Scheme Shareholders were informed of such modification, addition or condition. It would be a matter for the Court to decide, in its discretion, whether or not a further meeting of Crimson Tide Scheme Shareholders should be held in these circumstances for the purpose of approving any such modification, addition or condition.

In accordance with the Code, except with the consent of the Panel, modifications or revisions to the Scheme may only be made: (i) no less than 14 days prior to the date of the Meetings (or any later date to which such meetings are adjourned); or (ii) at a later date, with the consent of the Panel.

(d) ***Entitlement to vote at the Meetings***

Entitlement to attend, speak and vote at these meetings and the number of votes which may be cast at the meetings will be determined by reference to the register of members of Crimson Tide at the Voting Record Time. All Crimson Tide Shareholders whose names appear on the register of members of Crimson Tide at 6.00 p.m. on 17 March 2025 or, if either the Court Meeting or the General Meeting is adjourned on the register of members at 6.00 p.m. on the day which is two days (excluding non-working days) before the date set for the adjourned meeting, shall be entitled to attend and speak and vote at the relevant meeting in respect of the number of Crimson Tide Shares registered in their name at the relevant time.

Crimson Tide Scheme Shareholders and Crimson Tide Shareholders are strongly encouraged to appoint “the Chair of the Meeting” as their proxy for each Meeting. The chair of the relevant meeting may make any arrangement and impose any requirement or restriction they consider appropriate to ensure the security of the relevant Meeting. Any other person appointed as proxy will be able to attend, speak and vote at the Court Meeting and the General Meeting (as applicable).

Completion and return of a Form of Proxy, or the appointment of a proxy electronically (using any procedure described in this Document), will not prevent you from attending, speaking and voting in person at either the Court Meeting or the General Meeting.

If you are in any doubt as to whether or not you are permitted to vote at the Meetings (including by appointing a proxy), please call Neville Registrars Limited between 9.00 a.m. and 5.00 p.m. Monday to Friday (except public holidays in England and Wales) on +44 (0)121 585 1131 (if calling from outside of the UK, please ensure the country code is used). Calls from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. Please note that Neville Registrars Limited cannot provide advice on the merits of the Merger or give any financial, legal or tax advice.

(e) ***Implementation by way of an Offer***

Subject to obtaining the consent of the Panel, Checkit reserves the right to elect to implement the Merger by way of an Offer as an alternative to the Scheme. In such event, unless Crimson Tide makes an announcement that it will delay the convening of, or will adjourn, the Court Meeting or the General Meeting, without the consent of Checkit, except where such delay or adjournment is for reasons outside Crimson Tide’s control) such Offer will be implemented on substantially the same terms and conditions, so far as applicable, as those which would apply to the Scheme subject to appropriate amendments to reflect the change in method of effecting the Offer including (without limitation) the inclusion of an acceptance condition set at 90 per cent. of the shares to which the Merger relates (or such other percentage as Checkit and Crimson Tide may agree in writing after (to the extent necessary) consultation with the Panel, being in any case more than 50 per cent. of the Crimson Tide Shares to which the Merger relates). Further, if sufficient acceptances of such Offer are received and/or sufficient Crimson Tide Shares are otherwise acquired, it is the intention of Checkit to apply the provisions of the 2006 Act to acquire compulsorily any outstanding Crimson Tide Shares to which such Offer relates.

10. Amendments to the Crimson Tide Articles and re-registration as a private company

It is proposed, as part of the Resolution, to, among other things, amend the Crimson Tide Articles to ensure that any Crimson Tide Shares issued or transferred from treasury under the Crimson Tide Share Plan or otherwise on or after passing the Resolution and before the Scheme Record Time will be subject to and bound by the Scheme. It is also proposed to amend the Crimson Tide Articles so that any Crimson Tide Shares issued or transferred from treasury to any person other than Checkit (and/or its nominee(s)) at or after the Scheme Record Time will be automatically acquired by Checkit (and/or its nominee(s)) on the same terms as the Scheme Shares under the Scheme (other than terms as to timing and formalities). This will avoid any person (other than Checkit (and/or its nominee(s))) holding Crimson Tide Shares after dealings in such shares have ceased. The Resolution set out in the notice of General Meeting in Part 12 (*Notice of General Meeting*) of this Document seeks the approval of Crimson Tide Shareholders for such amendment at the General Meeting.

It is also proposed, as part of the Resolution, that, subject to and conditional upon the Scheme becoming Effective, pursuant to section 97 of the 2006 Act, Crimson Tide be re-registered as a private company with the name Crimson Tide Limited as soon as practicable following the Effective Date.

11. Conditions to the Merger

The Merger and, accordingly, the Scheme is subject to a number of conditions set out in full in Part 3 (*Conditions to and Further Terms of the Merger*) of this Document, including:

- (A) the Scheme becoming Effective by 11.59 p.m. on the Long Stop Date, failing which the Scheme will lapse and the Merger will not take place (unless the Panel otherwise consents);
- (B) approval of the resolution proposed at the Court Meeting by the requisite majority of the Crimson Tide Scheme Shareholders;
- (C) approval of the Resolution by the requisite majority of the Crimson Tide Shareholders at the General Meeting;
- (D) the passing of the Checkit Resolution by the requisite majority at the Checkit General Meeting;
- (E) the sanction of the Scheme by the Court;
- (F) the delivery of a copy of the Court Order to the Registrar of Companies; and
- (G) the London Stock Exchange having acknowledged to Checkit or its agent (and such acknowledgement not having been withdrawn) that the New Checkit Shares will be admitted to trading on AIM.

The Scheme will require approval by Crimson Tide Scheme Shareholders at the Court Meeting and Crimson Tide Shareholders at the General Meeting and the sanction of the Court at the Sanction Hearing. The Meetings and the nature of the approvals required to be given at them are described in more detail in paragraph 9 of this Part 2 (*Explanatory Statement*) of this Document.

The Scheme can only become Effective if all Conditions to the Scheme, including shareholder approvals and the sanction of the Court, have been satisfied (unless, where applicable, the relevant Condition is waived). The Scheme will become Effective upon a copy of the Court Order being delivered to the Registrar of Companies for registration. Subject to the sanction of the Scheme by the Court, this is expected to be in the second quarter of 2025. Unless the Scheme becomes Effective by the Long Stop Date, or such later date as Crimson Tide and Checkit may agree and (if required) the Court and the Panel may allow, the Scheme will not become Effective and the Merger will not proceed.

12. Offer-related arrangements

(i) Confidentiality Agreement

On 17 October 2024, Checkit and Crimson Tide entered into a Confidentiality Agreement in relation to the Merger, pursuant to which, amongst other things, Checkit has undertaken to: (i) subject to certain exceptions, keep information relating to Crimson Tide and the Merger confidential and not to disclose it to third parties; and (ii) use such confidential information only in connection with the Merger. These confidentiality obligations will remain in force until the earlier of: (i) completion of the Merger; and (ii) 17 October 2026. The Confidentiality Agreement also contains undertakings from Checkit that for a period of twelve months after the date of the Confidentiality Agreement, it will not: (i) contract

with or make any arrangement with any supplier of Crimson Tide and/or the Crimson Tide Group, which interferes with the supply of goods or services to Crimson Tide and/or the Crimson Tide Group; and (ii) solicit or offer to employ or engage any employee of the Crimson Tide Group involved in discussions relating to the Merger (subject to customary carve-outs).

13. Settlement of the Consideration under the Scheme

Subject to the Scheme becoming Effective, settlement of the Consideration to which any Crimson Tide Shareholder is entitled under the Scheme will be effected in the following manner:

(a) *Crimson Tide Shares in uncertificated form (that is, in CREST)*

Where, at the Scheme Record Time, a Crimson Tide Scheme Shareholder holds Crimson Tide Shares in uncertificated form, settlement of the Consideration will be effected through CREST. Checkit shall procure that Euroclear is instructed to credit the appropriate stock account in CREST of the relevant Crimson Tide Scheme Shareholder with such relevant Crimson Tide Scheme Shareholder's entitlement to New Checkit Shares as soon as practicable and, in any event, no later than 14 days after the Effective Date.

As from the Scheme Record Time, each holding of Crimson Tide Scheme Shares credited to any stock account in CREST will be disabled and all Crimson Tide Scheme Shares will be removed from CREST in due course.

Notwithstanding the above, Checkit reserves the right to settle all or part of such Consideration due to the holders of Crimson Tide Scheme Shares held in uncertificated form in the manner set out in paragraph 14(b) below.

(b) *Crimson Tide Shares in certificated form (that is, not in CREST)*

Where, at the Scheme Record Time, a Crimson Tide Scheme Shareholder holds Crimson Tide Scheme Shares in certificated form, settlement of the Consideration will be effected by issuing New Checkit Shares in certificated form to such Crimson Tide Scheme Shareholders. Certificates for the New Checkit Shares shall be dispatched:

1. by first class post (or international standard post, if overseas) to the address appearing on the Crimson Tide share register at the Scheme Record Time (or in the case of joint holders, to the address of that joint holder whose name stands first in the said register in respect of such joint holding at the Scheme Record Time); or
2. by such other method as may be approved by the Panel.

Share certificates will be dispatched no later than 14 days after the Effective Date to the person entitled to them at the address appearing in the register of members of Crimson Tide at the Scheme Record Time (or in the case of joint holders, to the address of that joint holder whose name stands first in the said register in respect of such joint holding at the Scheme Record Time). None of Crimson Tide, Checkit, Nevilles, MUFG or any of their respective nominees or agents shall be responsible for any loss or delay in the transmission of share certificates sent in this way, and such share certificates shall be sent at the risk of the person entitled to them.

(c) *Crimson Tide Shares acquired by participants in the Crimson Tide Share Plan*

It is not anticipated that the participants in the Crimson Tide Share Plan will exercise their options to receive Crimson Tide Shares as the exercise price in respect of all outstanding options currently exceeds the value of the Consideration.

(d) *General*

All documents and remittances sent to Crimson Tide Shareholders will be sent at the risk of the person(s) entitled thereto.

On the Effective Date, each certificate representing a holding of Crimson Tide Scheme Shares will cease to be a valid document of title and should be destroyed or, at the request of Crimson Tide, delivered up to Crimson Tide, or to any person appointed by Crimson Tide to receive the same.

Subject to the completion of the relevant forms of transfer or other instruments or instructions of transfer as may be required in accordance with the Scheme and the payment of any UK stamp duty thereon, Crimson Tide shall make or procure to be made, the appropriate entries in its register of members to reflect the transfer of the Scheme Shares to Checkit and/or its nominee(s).

Save as required in relation to the settlement of consideration pursuant to the terms of the Scheme, all mandates and other instructions given to Crimson Tide by Crimson Tide Scheme Shareholders in force at the Scheme Record Time relating to Scheme Shares shall, as from the Effective Date, cease to be valid.

Save with the consent of the Panel, settlement of the consideration to which any Crimson Tide Scheme Shareholder is due under the Scheme will be implemented in full in accordance with the terms set out in this Part 2 (*Explanatory Statement*) of this Document without regard to any lien, right of set off, counterclaim or analogous right to which Checkit may otherwise be, or claim to be, entitled against any Crimson Tide Scheme Shareholder.

14. Overseas Shareholders

The availability of the Scheme and the Merger to Crimson Tide Shareholders who are not resident in and citizens of the United Kingdom ("**Overseas Shareholders**") may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizen. Overseas Shareholders should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdictions. In particular, the ability of Overseas Shareholders to vote their Crimson Tide Shares with respect to the Scheme at the Meetings, or to execute and deliver Forms of Proxy (or other proxy instructions) appointing another to vote at any Meeting on their behalf, may be affected by the laws of the relevant jurisdictions in which they are located.

It is the responsibility of all Overseas Shareholders to satisfy themselves as to the full compliance with the laws of the relevant jurisdiction in connection with the Scheme and the Merger, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with other necessary formalities which are required to be observed and the payment of any issue, transfer or other taxes due in such jurisdiction. Any failure to comply with such requirements may constitute a violation of the securities law of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Scheme disclaim any responsibility or liability for the violation of such restrictions by any person.

Unless otherwise determined by Checkit and Crimson Tide or required by the Takeover Code, and permitted by applicable law and regulation, the Merger will not be made available, in whole or in part, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would constitute a violation of the relevant laws or regulations of such jurisdiction and no person may vote in favour of the Merger by any such use, means, instrumentality or from within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Copies of this Document and any formal documentation relating to the Merger are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send it in or into or from any Restricted Jurisdiction. Doing so may render invalid any related purported vote in respect of the Scheme. If the Merger is implemented by way of an Offer (unless otherwise permitted by applicable law and regulation), the Offer may not be made directly or indirectly, in or into, or by the use of mails or any means or instrumentality (including, but not limited to, facsimile, email or other electronic transmission, or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of any Restricted Jurisdiction and the Offer may not be capable of acceptance by any such use, means, instrumentality or facilities.

Overseas Shareholders should consult their own legal and tax advisers with regard to the legal and tax consequences of the Scheme to their particular circumstances.

All Crimson Tide Shareholders (including, without limitation, nominees, trustees or custodians who would, or otherwise intend to, forward this Document and its accompanying documents to any jurisdiction outside the United Kingdom), should seek appropriate independent professional advice before taking any action.

15. United Kingdom taxation

Your attention is drawn to Part 6 (*United Kingdom Taxation*) of this Document which contains a summary of limited aspects of the anticipated UK tax treatment of the Scheme. Although this Document contains certain UK tax-related information, it relates only to the position of certain categories of shareholders and **is intended as a general guide only and is not advice, nor does it purport to be a complete analysis of all potential UK tax consequences of the Scheme. If you are in any doubt as to your tax position, or if you are subject to taxation in any jurisdiction other than the UK, you should consult an appropriately qualified independent professional tax adviser.**

16. Action to be taken

The documents

Crimson Tide Shareholders will find enclosed with this Document:

- a BLUE Form of Proxy to be used in connection with the Court Meeting to be held on 19 March 2025;
- a WHITE Form of Proxy to be used in connection with the General Meeting to be held on 19 March 2025; and
- pre-paid envelope for use in the UK only for the return of the Forms of Proxy.

If you hold Crimson Tide Shares in uncertificated form through CREST, you may instead appoint a proxy by completing and transmitting a CREST Proxy Instruction to Crimson Tide's Registrars (please also refer to the accompanying notes for the Notice of General Meeting set out at the end of this Document).

If you are a Crimson Tide Shareholder and have not received these documents (as applicable to you), please contact Crimson Tide's Registrar, Neville Registrars Limited between 9.00 a.m. and 5.00 p.m. Monday to Friday (except public holidays in England and Wales) on +44 (0)121 585 1131 (if calling from outside of the UK, please ensure the country code is used). Calls to the helpline from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. Please note that Neville Registrars Limited cannot provide advice on the merits of the Merger or give any financial, legal or tax advice. Proxy voting queries may also be directed to the Sodali & Co. shareholder helpline on +44 (0) 20 3984 0180.

Appointment of proxies

Whether or not you intend to attend the Court Meeting and/or the General Meeting, please complete and sign both Forms of Proxy and return them by post to Neville Registrars Limited at Neville House, Steelpark Road, Halesowen, B62 8HD, or by hand, during normal business hours only, to Neville Registrars Limited at Neville House, Steelpark Road, Halesowen, B62 8HD. For your convenience, a pre-paid envelope (for use in the UK only) has been provided with respect to the Forms of Proxy. Or if you hold Crimson Tide Shares in CREST, complete and transmit a CREST Proxy Instruction as soon as possible and, in any event, so as to arrive by the time specified below on 17 March 2025.

If the BLUE Form of Proxy for the Court Meeting is not lodged so as to be received by 10.00 a.m. on 17 March 2025, it may be: (i) scanned and emailed to Neville Registrars Limited at the following email address: info@nevilleregistrars.co.uk; or (ii) presented in person to the Chair of the Court Meeting or a representative of Neville Registrars Limited who will be present at the Court Meeting, any time prior to the commencement of the Court Meeting (or any adjournment thereof). However, in the case of the General Meeting, unless the WHITE Form of Proxy is lodged so as to be received by 10.30 a.m. on 17 March 2025, it will be invalid. The completion and return of a Form of Proxy or transmittal of a CREST Proxy Instruction will not prevent you from attending the Court Meeting or the General Meeting and voting in person, if you so wish and are so entitled.

Proxies submitted via CREST (under CREST ID 7RA11) must be received by Neville Registrars Limited not later than 10.00 a.m. on 17 March 2025 in the case of the Court Meeting and 10.30 a.m. on 17 March 2025 in the case of the General Meeting (or, in the case of an adjourned meeting, not less than two days (excluding non-working days) prior to the time and date set for the adjourned meeting).

General

Notices convening the Court Meeting and the General Meeting are set out in Part 11 (*Notice of Court Meeting*) and Part 12 (*Notice of General Meeting*) of this Document, respectively.

It is important that as many votes as possible are cast at the Court Meeting so that the Court may be satisfied that there is a fair and reasonable representation of the opinion of Crimson Tide Scheme Shareholders. You are therefore strongly encouraged to sign and return the BLUE Form of Proxy for the Court Meeting as soon as possible. You are also encouraged to sign and return the WHITE Form of Proxy for the General Meeting at the same time as the BLUE Form of Proxy for the Court Meeting or, if you hold Crimson Tide Shares in CREST, via a CREST Proxy Instruction. Doing so will not prevent you from attending, speaking and voting in person at the Meetings if you wish, and are entitled, to do so.

Shareholder helpline

If you have any questions relating to this Document or the completion and return of your Forms of Proxy, please contact Neville Registrars Limited between 9.00 a.m. and 5.00 p.m. Monday to Friday (except public holidays in England and Wales) on +44 (0)121 585 1131 (if calling from outside of the UK, please ensure the country code is used). Calls to the helpline from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. Please note that Neville Registrars Limited cannot provide advice on the merits of the Merger or give any financial, legal or tax advice. Proxy voting queries may also be directed to the Sodali & Co. shareholder helpline on +44 (0) 20 3984 0180.

17. Further information

The terms of the Scheme are set out in full in Part 3 (*Conditions to and Further Terms of the Merger*) of this Document. Further information regarding Checkit and Crimson Tide is set out in Part 7 (*Additional Information*) of this Document. Your attention is also drawn to the further information contained in, or incorporated by reference into, this Document which forms part of this Explanatory Statement.

Yours faithfully,

Julian Blunt

Corporate Finance Director

For and on behalf of **Cavendish Capital Markets Limited**

PART 3

CONDITIONS TO AND FURTHER TERMS OF THE MERGER

The Merger and the Scheme is subject to the Conditions and further terms set out in this Part 3 (*Conditions and Further Terms of the Merger*) of this Document.

PART A: CONDITIONS TO THE SCHEME AND THE MERGER

1. The Merger will be conditional upon the Scheme becoming unconditional and becoming Effective, subject to the Takeover Code, by not later than 11.59 p.m. on the Long Stop Date.

Conditions of the Scheme

2. In addition, subject to Part B of this Part 3 and to the requirements of the Panel, the Scheme will be conditional upon:

2.1 :

- 2.1.1 the approval of the Scheme by a majority in number of Crimson Tide Scheme Shareholders representing not less than 75 per cent. of the voting rights attaching to the Crimson Tide Scheme Shares held by such Crimson Tide Scheme Shareholders (or the relevant class or classes thereof) who are on the register of members of Crimson Tide at the Voting Record Time, present and voting, either in person or by proxy, at the Court Meeting and at any separate class meeting which may be required by the Court or at any adjournment of any such meetings;
- 2.1.2 the Court Meeting and any separate class meeting which may be required by the Court or any adjournment of any such meeting being held on or before the 22nd day after the expected date of the Court Meeting, to be set out in the Scheme Document in due course (or such later date, if any, as may be agreed by Checkit and Crimson Tide in writing and, if required, the Court may allow);

2.2 :

- 2.2.1 all resolutions necessary to approve and implement the Scheme being duly passed by the requisite majority or majorities at the General Meeting, or at any adjournment of that meeting;
- 2.2.2 the General Meeting or any adjournment of that meeting being held on or before the 22nd day after the expected date of the General Meeting, to be set out in the Scheme Document in due course (or such later date, if any, as may be agreed by Checkit and Crimson Tide in writing and, if required, the Court may allow);

2.3 :

- 2.3.1 the sanction of the Scheme by the Court with or without modification (but subject to any such modification being acceptable to Checkit and Crimson Tide) and the delivery of the Court Order to the Registrar of Companies; and
- 2.3.2 the Sanction Hearing being held on or before the 22nd day after the expected date of the Sanction Hearing (or such later date, if any, as Checkit and Crimson Tide may agree and, if required, the Court may allow).

Other Conditions

3. In addition, subject to Part B of this Part 3 (*Conditions to and Further Terms of the Merger*) and to the requirements of the Panel, the Merger will be conditional upon the following conditions and, accordingly, the necessary actions to make the Scheme Effective will only be taken on the satisfaction or, where relevant, waiver of the following conditions:

Checkit General Meeting

- 3.1 the passing at the Checkit General Meeting of any resolution required to approve and implement the Merger and to authorise the allotment and issue of the New Checkit Shares to Crimson Tide Scheme Shareholders pursuant to the Merger;

Admission to trading on AIM

- 3.2 the London Stock Exchange having acknowledged to Checkit or its agent (and such acknowledgement not having been withdrawn) that the New Checkit Shares will be admitted to trading on AIM;

General Third Party official authorisations and regulatory clearances

- 3.3 no Third Party having given notice of a decision to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference (and, in each case, not having withdrawn the same), or having enacted, made or proposed any statute, regulation, decision or order, or change to published practice or having taken any other steps, and there not continuing to be outstanding any statute, regulation, decision or order, which in each case would or might reasonably be expected to:
- 3.3.1 require, prevent or delay the divestiture, or materially alter the terms envisaged for any proposed divestiture by any member of the Wider Checkit Group or any member of the Wider Crimson Tide Group of all or any portion of their respective businesses, assets or property or impose any limitation on the ability of any of them to conduct their respective businesses (or any of them) or to own any of their respective assets or properties or any part thereof which, in any such case, is material in the context of the Wider Checkit Group or the Wider Crimson Tide Group in either case taken as a whole;
 - 3.3.2 require, prevent or delay the divestiture by any member of the Wider Checkit Group of any shares or other securities in Crimson Tide;
 - 3.3.3 impose any material limitation on, or result in a delay in, the ability of any member of the Wider Checkit Group directly or indirectly to acquire or to hold or to exercise effectively any rights of ownership in respect of shares or loans or securities convertible into shares or any other securities (or the equivalent) in any member of the Wider Crimson Tide Group or the Wider Checkit Group or to exercise voting or management control over any such member;
 - 3.3.4 otherwise adversely affect the business, assets, profits or prospects of any member of the Wider Checkit Group or of any member of the Wider Crimson Tide Group to an extent which is material in the context of the Wider Checkit Group or the Wider Crimson Tide Group in either case taken as a whole;
 - 3.3.5 make the Merger or its implementation or the offer or proposed offer by Checkit or any member of the Wider Checkit Group of any shares or other securities in, or control of Crimson Tide void, illegal, and/or unenforceable under the laws of any jurisdiction, or otherwise, directly or indirectly, restrain, restrict, prohibit, delay or otherwise interfere with the same, or impose additional conditions or obligations with respect thereto;
 - 3.3.6 except pursuant to the implementation of the Merger or, if applicable, sections 974 to 991 of the Companies Act, require any member of the Wider Checkit Group or the Wider Crimson Tide Group to offer to acquire any shares or other securities (or the equivalent) or interest in any member of the Wider Crimson Tide Group or the Wider Checkit Group owned by any third party;

- 3.3.7 impose any limitation on the ability of any member of the Wider Crimson Tide Group to co-ordinate its business, or any part of it, with the businesses of any other members which is adverse to and material in the context of the Wider Crimson Tide Group taken as a whole or in the context of the Merger; or
 - 3.3.8 result in any member of the Wider Crimson Tide Group ceasing to be able to carry on business under any name under which it presently does so, and all applicable waiting and other time periods (including any extensions thereof) during which any such Third Party could institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference or any other step under the laws of any jurisdiction in respect of the Merger or proposed offer for any Crimson Tide Shares having expired, lapsed or been terminated;
- 3.4 the waiver (or non-exercise within any applicable time limits) by any Third Party of any termination right, right of pre-emption, first refusal or similar right (which is material in the context of the Wider Crimson Tide Group taken as a whole) arising as a result of or in connection with the Merger including, without limitation, its implementation and financing or the proposed direct or indirect offer for any shares or other securities in, or control or management of, Crimson Tide by Checkit or any member of the Wider Checkit Group;
- 3.5 all necessary filings or applications having been made in connection with the Merger and all statutory or regulatory obligations in any jurisdiction having been complied with in connection with the Merger or the offer by any member of the Wider Checkit Group for any shares or other securities in, or control of, Crimson Tide and all authorisations, orders, grants, recognitions, determinations, confirmations, consents, licences, clearances, permissions, exemptions and approvals reasonably deemed necessary or appropriate by Checkit or any member of the Wider Checkit Group for or in respect of the Merger including without limitation, its implementation and financing or the proposed direct or indirect offer for any shares or other securities in, or control of, Crimson Tide or any member of the Wider Crimson Tide Group by any member of the Wider Checkit Group having been obtained in terms and in a form satisfactory to Checkit from all appropriate Third Parties or persons with whom any member of the Wider Crimson Tide Group has entered into contractual arrangements and all such material authorisations, orders, grants, recognitions, determinations, confirmations, consents, licences, clearances, permissions, exemptions and approvals necessary or appropriate to carry on the business of any member of the Wider Crimson Tide Group which is material in the context of the Checkit Group or the Crimson Tide Group as a whole or of the financing of the Merger remaining in full force and effect and all filings necessary for such purpose having been made and there being no notice or intimation of any intention to revoke or not to renew any of the same at the time at which the Merger becomes otherwise unconditional and all necessary statutory or regulatory obligations in any jurisdiction having been complied with;

Certain matters arising as a result of any arrangement, agreement etc.

- 3.6 save as Disclosed, there being no provision of any agreement, arrangement, licence, permit or other instrument to which any member of the Wider Crimson Tide Group is a party or by or to which any such member or any of its assets may be bound, entitled or subject, or any circumstance which in consequence of the Merger or the proposed offer for any shares or other securities (or equivalent) in Crimson Tide or because of a change in the control or management of Crimson Tide or otherwise, could or might result in any of the following to an extent which is material and adverse in the context of the Wider Crimson Tide Group, or the Wider Checkit Group, in either case taken as a whole, or in the context of the Merger:
- 3.6.1 any monies borrowed by or any other indebtedness or liabilities (actual or contingent) of, or grant available to any such member, being or becoming repayable or capable of being declared repayable immediately or earlier than their or its stated maturity date or repayment date or the ability of any such member to borrow moneys or incur any indebtedness being withdrawn or inhibited or being capable of becoming or being withdrawn or inhibited;

- 3.6.2 any such agreement, arrangement, licence, permit or instrument or the rights, liabilities, obligations or interests of any such member thereunder being terminated or adversely modified or affected or any obligation or liability arising or any action being taken or arising thereunder;
- 3.6.3 any asset or interest of any such member being or failing to be disposed of or charged or ceasing to be available to any such member or any right arising under which any such asset or interest could be required to be disposed of or charged or could cease to be available to any such member otherwise than in the ordinary course of business;
- 3.6.4 the creation or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property, assets or interest of any such member;
- 3.6.5 the rights, liabilities, obligations or interests of any such member, or the business of any such member with, any person, firm, company or body (or any arrangement or arrangements relating to any such interest or business) being terminated, adversely modified or affected;
- 3.6.6 the value of any such member or its financial or trading position or prospects being prejudiced or adversely affected;
- 3.6.7 any such member ceasing to be able to carry on business under any name under which it presently does so; or
- 3.6.8 the creation or acceleration of any liability, actual or contingent, by any such member (including any material tax liability or any obligation to obtain or acquire any material Authorisation, notice, waiver, concession, agreement or exemption from any Third Party or any person) other than trade creditors or other liabilities incurred in the ordinary course of business or in connection with the Merger,

and no event having occurred which, under any provision of any agreement, arrangement, licence, permit or other instrument to which any member of the Wider Crimson Tide Group is a party or by or to which any such member or any of its assets may be bound, entitled or subject, would or might reasonably be expected to result in any of the events or circumstances as are referred to in sub-paragraphs (3.6.1) to (3.6.8) of this Condition;

Certain events occurring since Last Accounts Date

- 3.7 save as Disclosed, no member of the Wider Crimson Tide Group having, since the Last Accounts Date:
 - 3.7.1 save as between Crimson Tide and wholly-owned subsidiaries of Crimson Tide or for Crimson Tide Shares issued under or pursuant to the exercise of options and vesting of awards granted under the Crimson Tide Share Plan, issued or agreed to issue, authorised or proposed the issue of additional shares of any class;
 - 3.7.2 save as between Crimson Tide and wholly-owned subsidiaries of Crimson Tide or for the grant of options and awards and other rights under the Crimson Tide Share Plan, issued or agreed to issue, authorised or proposed the issue of securities convertible into shares of any class or rights, warrants or options to subscribe for, or acquire, any such shares or convertible securities;
 - 3.7.3 other than to another member of the Crimson Tide Group, prior to completion of the Merger, recommended, declared, paid or made any dividend or other distribution payable in cash or otherwise or made any bonus issue;
 - 3.7.4 save for intra-Crimson Tide Group transactions, merged or demerged with any body corporate or acquired or disposed of or transferred, mortgaged or charged or created any security interest over any assets or any right, title or interest in any asset (including shares and trade investments) or authorised or proposed or announced any intention to propose any merger, demerger, disposal, transfer, mortgage, charge or security interest, in each case, other than in the ordinary course of business and, in each case, to the extent which is material in the context of the Wider Crimson Tide Group taken as a whole;

- 3.7.5 save for intra-Crimson Tide Group transactions, made or authorised or proposed or announced an intention to propose any change in its loan capital in each case, to the extent which is material in the context of the Wider Crimson Tide Group taken as a whole;
- 3.7.6 issued, authorised or proposed the issue of, or made any change in or to, any debentures or (save for intra-Crimson Tide Group transactions), save in the ordinary course of business, incurred or increased any indebtedness or become subject to any contingent liability;
- 3.7.7 purchased, redeemed or repaid or announced any proposal to purchase, redeem or repay any of its own shares or other securities or reduced or, save in respect to the matters mentioned in sub-paragraphs (i) or (ii) above, made any other change to any part of its share capital in each case, to the extent which is material in the context of the Wider Crimson Tide Group taken as a whole;
- 3.7.8 save for intra-Crimson Tide Group transactions, implemented, or authorised, proposed or announced its intention to implement, any reconstruction, merger, demerger, amalgamation, scheme, commitment or other transaction or arrangement otherwise than in the ordinary course of business;
- 3.7.9 entered into or varied or authorised, proposed or announced its intention to enter into or vary any contract, transaction or commitment (whether in respect of capital expenditure or otherwise) which is of a long term, onerous or unusual nature or magnitude or which involves or could involve an obligation of such a nature or magnitude other than in the ordinary course of business, in each case, to the extent which is material in the context of the Wider Crimson Tide Group taken as a whole;
- 3.7.10 (other than in respect of a member which is dormant and was solvent at the relevant time) taken any corporate action or steps or had any legal proceedings started or threatened against it in relation to the suspension of payments, a moratorium of any indebtedness, its winding-up, dissolution or reorganisation or for the appointment of a receiver, administrative receiver, administrator, manager, trustee or similar officer of all or any part of its assets or revenues or any analogous proceedings in any jurisdiction or appointed any analogous person in any jurisdiction or had any such person appointed, in each case, to the extent which is material in the context of the Wider Crimson Tide Group taken as a whole;
- 3.7.11 entered into any contract, transaction or arrangement which would be restrictive on the business of any member of the Wider Crimson Tide Group or the Wider Checkit Group other than of a nature and extent which is normal in the context of the business concerned;
- 3.7.12 waived or compromised any claim otherwise than in the ordinary course of business which is material in the context of the Wider Crimson Tide Group taken as a whole;
- 3.7.13 made any material alteration to its memorandum or articles of association or other incorporation documents;
- 3.7.14 been unable, or admitted in writing that it is unable, to pay its debts or commenced negotiations with one or more of its creditors with a view to rescheduling or restructuring any of its indebtedness, or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business;
- 3.7.15 entered into any contract, commitment, arrangement or agreement otherwise than in the ordinary course of business or passed any resolution or made any offer (which remains open for acceptance) with respect to or announced any intention to, or proposed to, effect any of the transactions, matters or events referred to in this Condition 3.7;

- 3.7.16 made or agreed or consented to any change to:
- (a) the terms of the trust deeds constituting the pension scheme(s) established by any member of the Wider Crimson Tide Group for its directors, employees or their dependents;
 - (b) the contributions payable to any such scheme(s) or to the benefits which accrue or to the pensions which are payable thereunder;
 - (c) the basis on which qualification for, or accrual or entitlement to, such benefits or pensions are calculated or determined; or
 - (d) the basis upon which the liabilities (including pensions) of such pension schemes are funded, valued or made, in each case, to the extent which is material in the context of the Wider Crimson Tide Group taken as a whole;
- 3.7.17 proposed, agreed to provide or modified the terms of the Crimson Tide Share Plan or other benefit constituting a material change relating to the employment or termination of employment of a material category of persons employed by the Wider Crimson Tide Group or which constitutes a material change to the terms or conditions of employment of any senior employee of the Wider Crimson Tide Group, save as agreed by the Panel (if required) and by Checkit, or entered into or changed the terms of any contract with any director or senior executive;
- 3.7.18 taken (or agreed or proposed to take) any action which requires, or would require, the consent of the Panel or the approval of Crimson Tide Shareholders in general meeting in accordance with, or as contemplated by, Rule 21.1 of the Code;
- 3.7.19 entered into or varied in a material way the terms of, any contracts, agreement or arrangement with any of the directors or senior executives of any members of the Wider Crimson Tide Group; or
- 3.7.20 waived or compromised any claim which is material in the context of the Wider Crimson Tide Group taken as a whole, otherwise than in the ordinary course;

No adverse change, litigation, regulatory enquiry or similar

- 3.8 except as Disclosed, since the date of the Last Accounts Date:
- 3.8.1 no adverse change or deterioration having occurred in the business, assets, financial or trading position or profits or prospects or operational performance of any member of the Wider Crimson Tide Group which, in any such case, is material in the context of the Wider Crimson Tide Group taken as a whole and no circumstances have arisen which would or might reasonably be expected to result in such adverse change or deterioration;
 - 3.8.2 no litigation, arbitration proceedings, prosecution or other legal proceedings to which any member of the Wider Crimson Tide Group is or may become a party (whether as a plaintiff, defendant or otherwise) and no enquiry, review or investigation by, or complaint or reference to, any Third Party or other investigative body against or in respect of any member of the Wider Crimson Tide Group having been instituted, announced, implemented or threatened by or against or remaining outstanding in respect of any member of the Wider Crimson Tide Group which in any such case has had or might reasonably be expected to have a material adverse effect on the Wider Crimson Tide Group taken as a whole or in the context of the Merger;
 - 3.8.3 no contingent or other liability of any member of the Wider Crimson Tide Group having arisen or become apparent to Checkit or increased which has had or might reasonably be expected to have a material adverse effect on the Wider Crimson Tide Group taken as a whole or in the context of the Merger;
 - 3.8.4 no enquiry or investigation by, or complaint or reference to, any Third Party having been threatened, announced, implemented, instituted by or remaining outstanding against or in respect of any member by or the Wider Crimson Tide Group which in any case is material in the context of the Wider Crimson Tide Group taken as a whole;

- 3.8.5 no member of the Wider Crimson Tide Group having conducted its business in breach of any applicable laws and regulations and which is material in the context of the Wider Crimson Tide Group as a whole or material in the context of the Merger; and
- 3.8.6 no steps having been taken which are likely to result in the withdrawal, cancellation, termination or modification of any licence or permit held by any member of the Wider Crimson Tide Group which is necessary for the proper carrying on of its business and the withdrawal, cancellation, termination or modification of which has had, or would reasonably be expected to have, a material adverse effect on the Wider Crimson Tide Group taken as a whole;

No discovery of certain matters

3.9 save as Disclosed, Checkit not having discovered:

- 3.9.1 that any financial or business or other information concerning the Wider Crimson Tide Group disclosed at any time by or on behalf of any member of the Wider Crimson Tide Group, whether publicly, to any member of the Wider Checkit Group or otherwise, is materially misleading or contains any material misrepresentation of fact or omits to state a fact necessary to make any information contained therein not misleading, in each case to an extent which is material in the context of the Wider Crimson Tide Group taken as a whole; or
- 3.9.2 that any member of the Wider Crimson Tide Group is subject to any liability (actual or contingent) which is material in the context of the Wider Crimson Tide Group taken as a whole; or
- 3.9.3 any information which affects the import of any information disclosed at any time by or on behalf of any member of the Wider Crimson Tide Group and which is material in the context of the Wider Crimson Tide Group taken as a whole;

Environmental

3.10 save as Disclosed, Checkit not having discovered:

- 3.10.1 any past or present member of the Wider Crimson Tide Group has not complied in all material respects with all applicable legislation or regulations of any jurisdiction relating to the use, treatment, storage, carriage, disposal, discharge, spillage, release, leak or emission of any waste or hazardous substance or any substance likely to impair the environment (including property) or harm human health or otherwise relating to environmental matters or the health and safety of any person, or that there has otherwise been any such use, treatment, handling, storage, transport, release, disposal, discharge, spillage, leak or emission (whether or not this constituted a non-compliance by any person with any legislation or regulations and wherever the same may have taken place), which non-compliance would be likely to give rise to any material liability including any penalty for non-compliance (whether actual or contingent) or cost on the part of any member of the Wider Crimson Tide Group, which in any case is material in the context of the Wider Crimson Tide Group as a whole; or
- 3.10.2 there is, or is likely to be, for any reason whatsoever, any liability (actual or contingent) of any past or present member of the Wider Crimson Tide Group to make good, remediate, repair, reinstate or clean up any property or any controlled waters now or previously owned, occupied, operated or made use of or controlled by any such past or present member of the Wider Crimson Tide Group (or on its behalf) or by any person for which a member of the Wider Crimson Tide Group is or has been responsible, or in which any such member may have or previously have had or be deemed to have had an interest, under any environmental legislation, regulation, notice, circular or order of any Third Party and which is material in the context of the Wider Crimson Tide Group taken as a whole or the Merger; or
- 3.10.3 circumstances exist (whether as a result of the making of the Merger or otherwise) which would be reasonably likely to lead to any Third Party instituting, or whereby any member of the Wider Checkit Group or any present or past member of the Wider Crimson Tide Group would be likely to be required to institute, an environmental audit or take any

other steps which would in any such case be reasonably likely to result in any liability (whether actual or contingent) to improve, modify existing or install new plant, machinery or equipment or carry out changes in the processes currently carried out or make good, remediate, repair, re-instate or clean up any land or other asset currently or previously owned, occupied or made use of by any past or present member of the Wider Crimson Tide Group (or on its behalf) or by any person for which a member of the Wider Crimson Tide Group is or has been responsible, or in which any such member may have or previously have had or be deemed to have had an interest which is material in the context of the Wider Crimson Tide Group taken as a whole or the Merger; or

- 3.10.4 circumstances exist whereby a person or class of persons would be likely to have any claim or claims in respect of any product or process of manufacture or materials used therein currently or previously manufactured, sold or carried out by any past or present member of the Wider Crimson Tide Group which claim or claims would be likely, materially and adversely, to affect any member of the Wider Crimson Tide Group and which is material in the context of the Wider Crimson Tide Group taken as a whole or the Merger;

Anti-corruption, economic sanctions, criminal property and money laundering

- 3.11 save as Disclosed, Checkit not having discovered:

- 3.11.1 (A) any past or present member, director, officer or employee of the Wider Crimson Tide Group is or has at any time engaged in any activity, practice or conduct which would constitute an offence under the Bribery Act 2010, the US Foreign Corrupt Practices Act of 1977 or any other applicable anti-corruption or anti-bribery law, rule or regulation or any other applicable law, rule, or regulation concerning improper payments or kickbacks or (B) any person that performs or has performed services for or on behalf of the Wider Crimson Tide Group is or has at any time engaged in any activity, practice or conduct in connection with the performance of such services which would constitute an offence under the Bribery Act 2010, the US Foreign Corrupt Practices Act of 1977 or any other applicable anti-corruption or anti-bribery law, rule or regulation or any other applicable law, rule, or regulation concerning improper payments or kickbacks; or
- 3.11.2 any asset of any member of the Wider Crimson Tide Group constitutes criminal property as defined by section 340(3) of the Proceeds of Crime Act 2002 (but disregarding paragraph (b) of that definition) or proceeds of crime under any other applicable law, rule, or regulation concerning money laundering or proceeds of crime or any member of the Wider Crimson Tide Group is found to have engaged in activities constituting money laundering under any applicable law, rule, or regulation concerning money laundering; or
- 3.11.3 any past or present member, director, officer or employee of the Wider Crimson Tide Group, or any other person for whom any such person may be liable or responsible, is or has engaged in any business with, made any investments in, made any funds or assets available to or received any funds or assets from:
- (a) any government, entity or individual in respect of which US, UK or European Union persons, or persons operating in those territories, are prohibited from engaging in activities or doing business, or from receiving or making available funds or economic resources, by US, UK or European Union laws or regulations, including the economic sanctions administered by the United States Office of Foreign Assets Control, or HMRC; or
- (b) any government, entity or individual targeted by any of the economic sanctions of the United Nations, the United States, the United Kingdom, the European Union or any of its member states, save that this shall not apply if and to the extent that it is or would be unenforceable by reason of breach of any applicable Blocking Law; or

- 3.11.4 any past or present member, director, officer or employee of the Wider Crimson Tide Group, or any other person for whom any such person may be liable or responsible:
- (a) has engaged in conduct which would violate any relevant anti-terrorism laws, rules, or regulations, including but not limited to the U.S. Anti-Terrorism Act; or
 - (b) has engaged in conduct which would violate any relevant anti-boycott law, rule, or regulation or any applicable export controls, including but not limited to the Export Administration Regulations administered and enforced by the U.S. Department of Commerce or the International Traffic in Arms Regulations administered and enforced by the U.S. Department of State; or
 - (c) has engaged in conduct which would violate any relevant laws, rules, or regulations concerning human rights, including but not limited to any law, rule, or regulation concerning false imprisonment, torture or other cruel and unusual punishment, or child labour; or
 - (d) is debarred or otherwise rendered ineligible to bid for or to perform contracts for or with any government, governmental instrumentality, or international organization or found to have violated any applicable law, rule, or regulation concerning government contracting or public procurement; or
 - (e) any member of the Wider Crimson Tide Group is or has been engaged in any transaction which would cause Checkit to be in breach of any law or regulation in connection with the Merger, including but not limited to the economic sanctions of the United States Office of Foreign Assets Control, or HMRC, or any other relevant government authority; and

Intellectual Property

- 3.12 save as Disclosed, no circumstance having arisen or event having occurred in relation to any intellectual property owned or used by any member of the Wider Crimson Tide Group which would have a material adverse effect on the Wider Crimson Tide Group taken as a whole or is otherwise material in the context of the Merger, including:
- 3.12.1 any member of the Wider Crimson Tide Group losing its title to any intellectual property, or any intellectual property owned by the Wider Crimson Tide Group being revoked, cancelled or declared invalid; or
 - 3.12.2 any claim being asserted in writing or threatened in writing by any person challenging the ownership of any member of the Wider Crimson Tide Group to, or the validity or effectiveness of, any of its intellectual property; or
 - 3.12.3 any agreement regarding the use of any intellectual property licensed to or by any member of the Wider Crimson Tide Group being terminated or varied.

For the purpose of these Conditions:

- 1. **“Third Party”** means any central bank, government, government department or governmental, quasi-governmental, supranational, statutory, regulatory, environmental or investigative body, authority, court, trade agency, association, institution or professional or environmental body in any relevant jurisdiction, including, for the avoidance of doubt, the Panel; and
- 2. a Third Party shall be regarded as having **“intervened”** if it has given notice to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference or made, proposed or enacted any statute, regulation, decision or order or taken any measures or other steps or required any action to be taken or information to be provided or otherwise having done anything and **“intervene”** shall be construed accordingly.

PART B

FURTHER TERMS OF THE MERGER AND THE SCHEME

Waiver and Invocation of Conditions

1. Subject to the requirements of the Panel, Checkit reserves the right in its sole discretion to waive in whole or in part, all or any of the Conditions set out in Part A above, except Conditions 2.1.1, 2.2.1, 2.3.1, 3.1 and 3.2 which cannot be waived. If any of the Conditions 2.1.2, 2.2.2 or 2.3.2 is not satisfied by the relevant deadline specified in the relevant Condition, Checkit shall make an announcement by 8.00 a.m. on the Business Day following such deadline confirming whether it has invoked the relevant Condition, waived the relevant deadlines or agreed with Crimson Tide to extend the relevant deadline.
2. Conditions 2.1.1, 2.2.1 and 3.1 to 3.12 (inclusive) in Part A above must each be fulfilled by, or (if capable of waiver) be waived by, Checkit or Crimson Tide (as the case may be) by no later than 11.59 p.m. on the date immediately preceding the date of the Sanction Hearing (or such later date as Checkit, Crimson Tide, the Panel and, if required, the Court may allow) failing which the Scheme will lapse.
3. Under Rule 13.5(a) of the Code, Checkit may not invoke a Condition that is subject to Rule 13.5(a) of the Code so as to cause the Scheme not to proceed, to lapse or to be withdrawn unless the circumstances which give rise to the right to invoke the condition are of material significance to Checkit in the context of the Merger. Checkit may only invoke a Condition that is subject to Rule 13.5(a) of the Code with the consent of the Panel and any Condition that is subject to Rule 13.5(a) of the Code may be waived by Checkit. Conditions 1, 2.1.1, 2.2.1 and 2.3.1, 3.1 and 3.2 in Part A above and, if applicable, any acceptance condition (if the Merger is implemented by means of an Offer), are not subject to Rule 13.5(a) of the Code.
4. Checkit shall not be under any obligation to waive (if capable of waiver), to determine to be or remain satisfied or to treat as fulfilled any of the Conditions by a date earlier than the latest date of the fulfilment of that Condition notwithstanding that the other Conditions to the Merger may at such earlier date have been waived or fulfilled and that there are at such earlier date no circumstances indicating that any such conditions may not be capable of fulfilment.

Implementation by way of an Offer

5. Subject to obtaining the consent of the Panel, Checkit reserves the right to elect to implement the Merger by way of an Offer as an alternative to the Scheme.
6. In such an event, such Offer will be implemented on the same terms and conditions and conditions so far as applicable, as those which would apply to the Scheme (subject to appropriate amendments, including an acceptance condition set at up to 90 per cent. of the Crimson Tide Shares to which the Offer relates (or such lower percentage as the Panel may agree provided that if the Offer became or was declared unconditional in all respects, it would result in Checkit holding Crimson Tide Shares carrying greater than 50 per cent. of the voting rights in Crimson Tide)).

Rights attaching to Crimson Tide Shares and Dividends

7. Crimson Tide Shares will be acquired by Checkit fully paid and free from all liens, charges, encumbrances and other third party rights of any nature whatsoever and together with all rights attaching to them, including the right to receive and retain all dividends and distributions (if any) declared, made or paid or becoming payable by reference to a record date falling on or after the Effective Date.
8. The New Checkit Shares will be issued credited as fully paid and will rank *pari passu* in all respects with the existing Checkit Shares. Application will be made to the London Stock Exchange for the New Checkit Shares to be admitted to trading on the AIM Market of the London Stock Exchange.
9. Fractions of New Checkit Shares will not be allotted or issued pursuant to the Merger, but entitlements of Crimson Tide Shareholders will be rounded down to the nearest whole number of New Checkit

Shares and all fractions of New Checkit Shares will be aggregated and sold in the market as soon as practicable after the Merger becomes Effective. The net proceeds of such sale (after deduction of all expenses and commissions incurred in connection with the sale) will be distributed in due proportions to Crimson Tide Shareholders who would otherwise have been entitled to such fractions (rounded down to the nearest penny), save that individual entitlements to amounts of less than £5.00 will be retained for the benefit of the Combined Group.

10. If, on or after the date of the Announcement, and prior to the Merger becoming Effective, any dividend, distribution or return of capital or value is declared, made or paid or becomes payable in respect of Crimson Tide Shares with a record date on or before the Effective Date (a “**Crimson Tide Dividend**”), Checkit reserves the right (without prejudice to any right of Checkit, with the consent of the Panel, to invoke the Condition set out in paragraph 3.7.3 of Part A of this Part 3) to reduce the Exchange Ratio accordingly so as to reflect the aggregate value attributable to any such Crimson Tide Dividend. Any exercise by Checkit of its rights to reduce the Exchange Ratio in the circumstances described above shall be the subject of an announcement but, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the terms of the Merger. For the avoidance of doubt, to the extent that a dividend, distribution or other return of value in respect of Crimson Tide Shares has been declared, paid, made or is payable, and is or shall be: (i) transferred pursuant to the Merger on a basis which entitles Checkit to receive the dividend, distribution or other return of value and to retain it; or (ii) cancelled before the Effective Date, the Exchange Ratio payable and the terms of the Merger shall not be subject to change and shall not be reduced in accordance with the above.

Other terms of the Merger

11. If Checkit is required by the Panel to make an offer for Crimson Tide Shares under the provisions of Rule 9 of the Code, Checkit may make such alterations to the Conditions and certain further terms of the Merger as are necessary to comply with the provisions of that Rule.
12. The availability of the Merger to persons not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions. Persons who are not resident in the United Kingdom or who are subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about and observe any applicable requirements. Further details in relation to Overseas Shareholders will be contained in the Scheme Document.
13. The Merger will not be made, directly or indirectly, in or into, or by use of the mails of, or by any means or instrumentality (including, without limitation, facsimile transmission, telephone, internet or e-mail) of interstate or foreign commerce of, or of any facility of a national securities exchange of, any Restricted Jurisdiction and it will not be capable of acceptance by any such use, means, instrumentality or facility or from within any Restricted Jurisdiction.
14. The New Checkit Shares to be issued pursuant to the Merger have not been and will not be registered under the US Securities Act or under any laws or with any securities regulatory authority of any state or other jurisdiction of the United States nor under any of the relevant securities laws of any Restricted Jurisdiction. Accordingly, the New Checkit Shares may not be offered, sold or delivered, directly or indirectly, into the United States, or any other Restricted Jurisdiction, except pursuant to exemptions from applicable requirements of any such jurisdiction.
15. The Merger will be subject, *inter alia*, to the Conditions and certain further terms which are set out in this Part 3 and to the full terms and conditions which will be set out in the Scheme Document and such further terms as may be required to comply with the AIM Rules and the provisions of the Code.
16. This Document and any rights or liabilities arising hereunder are, and the Merger, the Scheme, and any proxies will be, governed by English law and will be subject to the jurisdiction of the courts of England and Wales. The Scheme will be subject to the applicable requirements of the Code, the Panel, the London Stock Exchange, the FCA and the AIM Rules.
17. Each of the Conditions shall be regarded as a separate Condition and shall not be limited by reference to any other Condition.

PART 4

THE SCHEME OF ARRANGEMENT

IN THE HIGH COURT OF JUSTICE
BUSINESS AND PROPERTY COURTS
OF ENGLAND AND WALES
COMPANIES COURT (ChD)

CR-2025-000131

IN THE MATTER OF Crimson Tide PLC
and
IN THE MATTER OF THE COMPANIES ACT 2006

SCHEME OF ARRANGEMENT

(under Part 26 of the Companies Act 2006)

Between

Crimson Tide plc

and

the Crimson Tide Scheme Shareholders

(as hereinafter defined)

PRELIMINARY

- (a) In this Scheme, unless inconsistent with the subject or context, the following expressions shall bear the following meanings:

“**£**”, “**pence**” or “**sterling**” means the lawful currency of the United Kingdom;

“**2006 Act**” means the Companies Act 2006, as amended from time to time;

“**Merger**” means the proposed Merger by Checkit of the entire issued, and to be issued, share capital of Crimson Tide to be implemented by way of the Scheme or, should Checkit so elect, and where required the Panel consent, by means of an Offer and, where the context admits, any subsequent revision, variation, extension or renewal thereof;

“**AIM**” means the AIM market of the LSE;

“**Business Day**” means a day, not being a public holiday, Saturday or Sunday, on which clearing banks in London are open for normal business;

“**certificated**” or “**in certificated form**” in relation to a share or other security, a share or other security title to which is recorded in the relevant register of the share or other security as being held in certificated form (that is, not in CREST);

“**Checkit**” means Checkit plc, a public limited company incorporated under the laws of England and Wales with registered number 00448274;

“**Checkit Group**” means Checkit and its direct and indirect subsidiary undertakings including, following completion of the Merger, Crimson Tide, and where the context permits, each of them;

“**Company**” or “**Crimson Tide**” means Crimson Tide plc, a public limited company incorporated in England and Wales registered with registered number 00113845;

“Conditions” means the conditions to the implementation of the Merger, as set out in Part A of Part 3 (*Conditions to and Further Terms of the Merger*) of the Document;

“Consideration” means the consideration payable to the Crimson Tide Scheme Shareholders in connection with the Merger, comprising the allotment and issue of six (6) New Checkit Shares for one (1) Crimson Tide Scheme Share;

“Court” means the High Court of Justice in England and Wales;

“Court Meeting” means the meeting of Crimson Tide Scheme Shareholders to be convened at the direction of the Court pursuant to Part 26 of the 2006 Act at which a resolution will be proposed to approve the Scheme (with or without amendment), including any adjournment thereof;

“Court Order” means the order of the Court sanctioning the Scheme under Part 26 of the 2006 Act;

“CREST” means the relevant system (as defined in the Regulations) in respect of which Euroclear is the Operator (as defined in the Regulations);

“Crimson Tide Group” means Crimson Tide and its subsidiary undertakings and where the context permits, each of them;

“Crimson Tide’s Registrar” Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, B62 8HD, the registrars to Crimson Tide;

“Crimson Tide Scheme Shareholder” means a holder of Crimson Tide Scheme Shares;

“Crimson Tide Scheme Shares” means all Crimson Tide Shares: (i) in issue at the date of this Document and which remain in issue at the Scheme Record Time; (ii) (if any) issued after the date of this Document but before the Voting Record Time and which remain in issue at the Scheme Record Time; and (iii) (if any) issued at or after the Voting Record Time but at or before the Scheme Record Time on terms that the holder thereof shall be bound by this Scheme or in respect of which the original or any subsequent holders thereof are, or shall have agreed in writing to be, bound by the Scheme which remain in issue at the Scheme Record Time and, in each case, other than the Excluded Shares;

“Crimson Tide Shares” means the existing unconditionally allotted or issued and fully paid ordinary shares of £0.10 each in the capital of Crimson Tide and any further shares which are unconditionally allotted or issued before the Scheme becomes Effective and **“Crimson Tide Share”** means any one of them;

“Crimson Tide Shareholders” means, together, the holders of Crimson Tide Shares;

“Crimson Tide Share Plan” means the Crimson Tide’s Enterprise Management Incentive share option scheme;

“Document” means the circular to Crimson Tide Shareholders published by the Company on 20 February 2025 in connection with this Scheme;

“Effective” means this Scheme having become effective in accordance with its terms upon delivery of the Court Order to the Registrar of Companies;

“Effective Date” means the date on which the Scheme becomes effective in accordance with its terms;

“Encumbrances” means liens, equities, charges, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature;

“Euroclear” means Euroclear UK & International Limited;

“Excluded Shares” means (i) any Scheme Shares which are registered in the name of or beneficially owned by, any member of the Checkit Group (or their nominees) and (ii) any Scheme Shares held in treasury, in each case immediately prior to the Scheme Record Time;

“holder” means a registered holder and includes a person entitled by transmission;

“Last Practicable Announcement Date” means close of business on 10 February 2025 (being the last practicable date prior to the publication of the Announcement);

“Last Practicable Scheme Date” means close of business on 18 February 2025 (being the last practicable date prior to the publication of the Scheme Document);

“London Stock Exchange” or “LSE” means London Stock Exchange plc or its successor;

“Long Stop Date” means 11.59 p.m. on 30 June 2025, or such later date as may be agreed between Checkit and Crimson Tide and, if required, the Panel and the Court may allow;

“members” means members of Crimson Tide on the register of members on any relevant date;

“Panel” means the Panel on Takeovers and Mergers;

“parent undertaking” means shall have the meaning given to such term in the 2006 Act;

“Registrar of Companies” means the Registrar of Companies in England and Wales;

“Regulations” means the Uncertificated Securities Regulations 2001 (SI2001 No. 3755), including (i) any enactment or subordinate legislation which amends or supersedes those regulations and (ii) any applicable rules made under those regulations or any such enactment or subordinate legislation for the time being in force;

“Sanction Hearing” means the hearing of the Court to sanction the Scheme and, if such hearing is adjourned, reference to commencement of any such hearing shall mean the commencement of the final adjournment thereof;

“Scheme” means this scheme of arrangement made under Part 26 of the 2006 Act between Crimson Tide and the Crimson Tide Scheme Shareholders in its present form or with or subject to any modification, addition or condition which Crimson Tide and Checkit may agree and which the Court may approve or impose;

“Scheme Record Time” means 6.00 p.m. on the Business Day immediately following the date of the Sanction Hearing, or such later time as Checkit and Crimson Tide may agree;

“Share Plan Letters” the letters sent on or around the date of this Document to participants in the Crimson Tide Share Plan regarding the effect of the Scheme on their rights under the Crimson Tide Share Plan;

“subsidiary undertaking” shall be construed in accordance with the 2006 Act;

“Takeover Code” the Takeover Code issued by the Panel on Takeovers and Mergers, as amended from time to time;

“uncertificated” or **“in uncertificated form”** means a share or other security title to which is recorded in the relevant register of the share or security as being held in uncertificated form, in CREST, and title to which, by virtue of the Regulations may be transferred by means of CREST; and

“Voting Record Time” means 6.00 p.m. on the day which is two days (excluding non-working days) prior to the date of the Court Meeting, or, if the Court Meeting is adjourned, 6.00 p.m. on the day which is two days (excluding non-working days) before the date of such adjourned meeting,

and where the context so admits or requires, the plural includes the singular and vice versa.

All references in this Scheme to times are to times in London (unless otherwise stated).

References to clauses are to clauses of this Scheme.

- (b) As at the Last Practicable Scheme Date, the issued share capital of Crimson Tide was £657,486.30 divided into 6,574,863 Crimson Tide Shares, all of which are fully paid ordinary shares of £0.10 each, all of which were credited as fully paid. As at Last Practicable Scheme Date, no shares were held in treasury.
- (c) As at the Last Practicable Scheme Date, there were 124,000 Crimson Tide Shares subject to awards under the Crimson Tide Share Plan. It is expected that no new Crimson Tide Shares will be required to be issued following the date of this Document to satisfy outstanding options under the Crimson Tide Share Plan which have vested.
- (d) Checkit was incorporated on 20 January 1948 under the laws of England and Wales.
- (e) Checkit has, subject to the satisfaction, or where capable, waiver of the Conditions, agreed to appear by counsel at the Sanction Hearing to sanction this Scheme and to undertake to the Court to be bound by the terms of this Scheme in so far as it relates to Checkit and to execute and do and procure to be executed and done all such documents, acts and things as may be necessary or desirable to be executed or done by it for the purpose of giving effect to this Scheme.

THE SCHEME

1. Transfer of the Scheme Shares

- 1.1 Subject to the terms of this Scheme, on and with effect from the Effective Date, Checkit shall acquire all the Scheme Shares fully paid up, with full title guarantee, free from all Encumbrances and together with all rights or interests of any nature whatsoever to them at the Effective Date or thereafter attached to such Scheme Shares, including without limitation voting rights and the right to receive and retain in full all dividends and other distributions (if any) authorised, declared, made or paid or which become payable or any other return of value or capital (whether by way of reduction of share capital or share premium account or otherwise), proposed, declared, made or paid in respect of the Scheme Shares on or after the Effective Date.
- 1.2 For the purposes of such Merger, the Scheme Shares shall be transferred to Checkit by means of a form or forms of transfer or other instrument or instruction of transfer or by means of CREST and, to give effect to such transfer(s), any person may be appointed by Checkit as attorney and/or agent and/or otherwise, on behalf of the holder or holders of Scheme Shares concerned, and shall be authorised as such attorney and/or agent and/or otherwise on behalf of the relevant holder or holders of Scheme Shares to execute and deliver as transferor a form of transfer or other instrument or instruction of transfer (whether as a deed or otherwise) of, or to procure the transfer by means of CREST or otherwise give any instructions to transfer of all of the Scheme Shares and every form, instrument or instruction of transfer so executed shall be as effective as if it had been executed or given or procured by the holder or holders of the Scheme Shares thereby transferred. Such form, instrument or instruction of transfer shall be deemed to be the principal instrument of transfer and the equitable or beneficial interest in the Scheme Shares shall only be transferred to Checkit together with the legal interest in such Scheme Shares, pursuant to such form, instrument or instruction of transfer, or by means of CREST.
- 1.3 With effect from the Effective Date and pending the transfer of the Scheme Shares on the Effective Date pursuant to clauses 1.1 and 1.2 of the Scheme and the registration of Checkit (or its nominee(s)) as the holder of any Scheme Share in the register of members of Crimson Tide to reflect such transfer, each Crimson Tide Scheme Shareholder irrevocably:
 - (a) appoints Checkit (or such other nominee(s) of Checkit as it may determine) as its attorney and/or agent and/or otherwise to exercise on its behalf (in place of and to the exclusion of the relevant Crimson Tide Scheme Shareholder) any voting rights attached to the Scheme Shares and any or all rights and privileges (including the right to requisition the convening of a general meeting of Crimson Tide or of any class of its shareholders) attaching to its Scheme Shares and to receive any distribution or other benefit accruing or payable in respect thereof;
 - (b) appoints Checkit (or such other nominee(s) of Checkit as it may determine) and any one or more of its directors or agents to sign on behalf of such Crimson Tide Scheme Shareholders any such documents, and do such things, as may in the opinion of Checkit and/or any or more of its directors or agents be necessary or desirable in connection with the exercise of any votes or any other rights or privileges attaching to its Scheme Shares, including, without limitation, authority to sign any consent to short notice of any general or separate class meeting of Crimson Tide, to execute a form of proxy in respect of its Scheme Shares appointing any person nominated by Checkit to attend any general and separate class meetings of Crimson Tide and authorises Crimson Tide to send to Checkit and/or its nominee(s) any notice, circular, warrant or other document or communication which may be sent to it as a member of Crimson Tide in respect of such Scheme Shares such that from the Effective Date, no Crimson Tide Scheme Shareholder shall be entitled to exercise (and irrevocably undertakes not to exercise) any voting rights attached to the Scheme Shares or any other rights or privileges attaching to the Crimson Tide Scheme Shares otherwise than in accordance with the directions of Checkit. Any such Crimson Tide Scheme Shareholder shall not appoint a proxy or representative for or to attend any general meeting, separate class meeting or other meeting of Crimson Tide.

2. Consideration for transfer of the Crimson Tide Scheme Shares

- 2.1 In consideration for the transfer of the Crimson Tide Scheme Shares to Checkit (and/or such other nominee(s) of Checkit) referred to in clause 1 of this Scheme, Checkit shall (subject to, and in

accordance with, the remaining provisions of this Scheme) issue for the account of each Crimson Tide Scheme Shareholder whose name appears in the register of members of Crimson Tide at the Scheme Record Time:

for each Crimson Tide Scheme Share: six (6) New Checkit Shares

- 2.2 Subject to clause 2.3, if any dividend or distribution or other return of capital or value is announced, authorised, declared, made or paid or becomes payable in respect of Scheme Shares, Checkit shall be entitled to adjust the Consideration by the amount of all or part of such dividend, distribution or other return of capital or value, in which case references to the Consideration shall be deemed to be a reference to the Consideration as so adjusted.
- 2.3 If Checkit exercises its right referred to in clause 2.2 to reduce the consideration payable per Scheme Share by an amount up to the amount of a dividend and/or distribution and/or return of capital or value (as the case may be), then: (a) Crimson Tide Scheme Shareholders appearing on the register of members at the relevant record time as determined by the directors of Crimson Tide shall be entitled to receive and retain that dividend, other distribution and/or return of capital or value in respect of the Crimson Tide Shares they hold at such record time; (b) any reference in this Scheme and the Document to the Consideration payable under the Scheme shall be deemed to be a reference to the Consideration as so reduced; and (c) the exercise of such rights shall not be regarded as constituting any revision or variation of the terms of this Scheme.
- 2.4 To the extent that any such dividend, other distribution and/or other return of value is proposed, authorised, announced, declared, made or paid and: (i) the Scheme Shares are transferred pursuant to the Merger on a basis which entitles Checkit to receive the dividend, other distribution and/or other return of value and to retain it; or (ii) such dividend, other distribution and/or other return of value is cancelled in full before payment, the Consideration will not be subject to change in accordance with clause 2.2 of this Scheme.

3. Settlement of New Checkit Shares

- 3.1 As soon as practicable after the Effective Date, and in any event no later than 14 calendar days thereafter, the settlement of the consideration due pursuant to the Scheme shall be effected by:
- (a) in the case of Scheme Shares which at the Scheme Record Time are held in certificated form, Checkit issuing New Checkit Shares, and certificates for the New Checkit Shares shall be dispatched:
 - (i) by first class post (or international standard post, if overseas) to the address appearing on the Crimson Tide share register at the Scheme Record Time (or in the case of joint holders, to the address of that joint holder whose name stands first in the said register in respect of such joint holding at the Scheme Record Time); or
 - (ii) by such other method as may be approved by the Panel.
 - (b) in the case of Scheme Shares which at the Scheme Record Time are held in uncertificated form, settlement of the Consideration will be effected through CREST. Checkit shall procure that Euroclear is instructed to credit the appropriate stock account in CREST of the relevant Crimson Tide Scheme Shareholder with such relevant Crimson Tide Scheme Shareholder's entitlement to New Checkit Shares.
- 3.2 As from the Scheme Record Time, each holding of Scheme Shares credited to any stock account in CREST shall be disabled and all Scheme Shares will be removed from CREST in due course.
- 3.3 All deliveries of notices, pursuant to this Scheme shall be effected by posting the same by first class post in prepaid envelopes or by international standard post, if overseas (or by such other method as may be approved by the Panel) addressed to the persons entitled thereto at their respective addresses as appearing in the register of members of Crimson Tide at the Scheme Record Time (or in the case of joint holders, to the address of that joint holder whose name stands first in the said register in respect of such joint holding at the Scheme Record Time).

- 3.4 In respect of settlement of the consideration due under the Scheme and made through CREST, the instruction of Euroclear to credit the appropriate stock account in CREST of the relevant Crimson Tide Scheme Shareholder with such relevant Crimson Tide Scheme Shareholder's entitlement to New Checkit Shares shall be complete discharge of Checkit's obligations under this Scheme with reference to settlement made through CREST.
- 3.5 None of Crimson Tide, Checkit, the Wider Crimson Tide Group nor the Wider Checkit Group or their respective agents or nominees shall be responsible for any loss or delay in the despatch of any notices sent in accordance with this clause 3, which shall be sent at the risk of the person or persons entitled thereto.
- 3.6 The preceding paragraphs of this clause 3 shall take effect subject to any prohibition or condition imposed by law.

4. Certificates and Cancellations

With effect from, or as soon as practicable after, the Effective Date:

- 4.1 all certificates representing Scheme Shares shall cease to be valid as documents of title to the shares represented thereby and every Crimson Tide Scheme Shareholder thereof shall be bound at the request of Crimson Tide to deliver up the same representing Scheme Shares to Crimson Tide or as it (or any person appointed by Crimson Tide to receive such certificates) may direct to destroy the same;
- 4.2 Crimson Tide shall procure that entitlements to Scheme Shares held within CREST are disabled and Euroclear will be instructed to cancel the entitlements of Crimson Tide Scheme Shareholders to holders of Scheme Shares in uncertificated form;
- 4.3 following the cancellation of the entitlements to Scheme Shares of holders of Scheme Shares in uncertificated form, Crimson Tide's Registrar shall be authorised to re-materialise entitlements to such Scheme Shares; and
- 4.4 on or as soon as reasonably practicable after the Effective Date, and subject to the completion, delivery and, if applicable, stamping of such transfers, forms, instruments or instructions as may be required in accordance with clause 1, Crimson Tide will make, or procure to be made, appropriate entries in Crimson Tide's register of members to reflect their transfer to Checkit and/or its nominee(s).

5. Mandates

All mandates relating to the payment of dividends on any Scheme Shares and other instructions (including communications preferences) given to Crimson Tide by Crimson Tide Scheme Shareholders in force at the Scheme Record Time relating to Scheme Shares shall, as from the Effective Date, cease to be valid, except for use in relation to any payment that is made in accordance with the Scheme.

6. The Effective Date

- 6.1 This Scheme shall become Effective as soon as a copy of the Court Order shall have been delivered to the Registrar of Companies under section 899 of the 2006 Act for registration.
- 6.2 Unless this Scheme shall become Effective on or before the Long Stop Date, or such later date as may be agreed between Checkit and Crimson Tide with the consent of the Panel (and that the Court may approve if required), this Scheme shall never become effective.

7. Modification

Checkit and Crimson Tide may jointly consent on behalf of all concerned to any modification of, or addition to, this Scheme or to any condition which the Court may approve or impose. Any such modification or addition shall require the consent of the Panel where such consent is required under the Takeover Code. For the avoidance of doubt, no modification may be made pursuant to this clause once the Scheme has taken effect.

8. Governing Law

This Scheme and all rights and obligations arising from or in connection with it are governed by the laws of England and Wales. Any dispute of any kind whatsoever arising directly or indirectly of or in connection with this Scheme, irrespective of the causes of action, including whether based on contract or tort, shall be subject to the exclusive jurisdiction of the English Courts. The rules of the Takeover Code will apply to this Scheme on the basis provided in the Takeover Code.

Dated 20 February 2025

PART 5

FINANCIAL INFORMATION AND RATINGS

Part A: Financial Information relating to Crimson Tide

The following sets out the financial information in respect of Crimson Tide as required by Rule 24.3(a)(iii) and Rule 24.3(e) of the Takeover Code. The documents referred to below, the contents of which have previously been announced through a Regulatory Information Service, are incorporated into this Document by reference pursuant to Rule 24.15 of the Takeover Code:

- Interim results for the six months ended 30 June 2024 available from Crimson Tide's website at <https://crimsontide.co.uk/documents-and-reports>;
- the audited consolidated financial statements of Crimson Tide for the financial year ended 31 December 2023 are set out on pages 34 to 58 (both inclusive) of Crimson Tide's Annual Report 2023 available from Crimson Tide's website at <https://crimsontide.co.uk/documents-and-reports>; and
- the audited consolidated financial statements of Crimson Tide for the financial year ended 31 December 2022 are set out on pages 34 to 58 (both inclusive) of Crimson Tide's Annual Report 2022 available from Crimson Tide's website at <https://crimsontide.co.uk/documents-and-reports>.

Part B: Crimson Tide ratings information

There are no current ratings publicly accorded to Crimson Tide.

Part C: Financial information relating to Checkit

The following sets out the financial information in respect of Checkit as required by Rule 24.3(a)(iii) and Rule 24.3(e) of the Takeover Code. The documents referred to below, the contents of which have previously been announced through a Regulatory Information Service, are incorporated into this Document by reference pursuant to Rule 24.15 of the Takeover Code:

- Interim results for the six months ended 31 July 2024 available from Checkit's website at <https://www.checkit.net/investor-relations/reports-documents/>;
- the audited consolidated financial statements of Checkit for the financial year ended 31 January 2024 are set out on pages 55 to 82 (both inclusive) of Checkit's Annual Report 2024 available from Checkit's website at <https://www.checkit.net/investor-relations/reports-documents/>; and
- the audited consolidated financial statements of Checkit for the financial year ended 31 January 2023 are set out on pages 34 to 58 (both inclusive) of Checkit's Annual Report 2023 available from Checkit's website at <https://www.checkit.net/investor-relations/reports-documents/>.

Part D: Effect of Scheme becoming Effective on Checkit

Following the Scheme becoming Effective, the earnings, assets and liabilities of Checkit will include the consolidated earnings, assets and liabilities of Crimson Tide.

Part E: Checkit ratings and outlooks

There are no current public ratings or outlooks accorded to Checkit by any rating agencies.

Part F: No incorporation of website information

Save as expressly referred to herein, neither the content of Crimson Tide's website, nor the content of any website accessible from hyperlinks on Crimson Tide's website, is incorporated into or forms part of this Document.

Save as expressly referred to herein, neither the content of Checkit's website, nor the content of any website accessible from hyperlinks on Checkit's website, is incorporated into or forms part of this Document.

Part G: Hard copies

In accordance with Rule 30.3 of the Takeover Code, Crimson Tide Shareholders and persons with information rights and participants in the Crimson Tide Share Plan may request a hard copy of this Document by contacting Neville Registrars Limited during business hours 8.00 a.m. to 5.00 p.m. on +44 (0)121 585 1131 (if calling from outside of the UK, please ensure the country code is used) or by submitting a request in writing to Neville Registrars Limited at Neville House, Steelpark Road, Halesowen, B62 8HD. In accordance with Rule 30.3 of the Takeover Code, you may also request that all future documents, announcements and information to be sent to you in relation to the Merger should be in hard copy form. Please note that Neville Registrars Limited cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

PART 6

UNITED KINGDOM TAXATION

1. United Kingdom taxation

The comments set out below are based on current UK tax law as applied in England and Wales and HM Revenue & Customs' published practice (which may not be binding on HM Revenue & Customs) at the date of this Document, both of which are subject to change, possibly with retrospective effect.

They are intended as a general guide to certain limited aspects of the UK tax treatment of the Scheme and, in particular apply only to Crimson Tide Scheme Shareholders who are resident for tax purposes (and, where applicable/relevant), in the case of an individual, domiciled) for tax purposes in (and only in) the UK and in respect of whom "split year" treatment does not apply, who hold their Crimson Tide Scheme Shares as an investment (other than under a registered pension scheme or an ISA, a Lifetime ISA or other tax approved arrangement) (and not as securities to be realised in the course of a trade) or through a trust arrangement and who are the absolute beneficial owners thereof ("**UK Holders**"). The discussion does not address all possible tax consequences relating to the Scheme. Certain categories of Crimson Tide Scheme Shareholders, including those carrying on certain financial activities, insurance companies, those who act as dealers in securities, those subject to specific tax regimes or benefitting from certain reliefs and exemptions, those connected with Crimson Tide as employees or officers, and those for whom the shares are employment-related securities, may be subject to special rules and this summary does not consider such shareholders. The tax treatment of the Scheme may be different for Crimson Tide Shareholders who acquire or acquired their Crimson Tide Shares through the Crimson Tide Share Plan. This summary does not constitute tax or legal advice and nothing in these paragraphs should be taken as providing personal tax or legal advice.

Current or prospective Crimson Tide Scheme Shareholders are advised to take independent advice in relation to the tax implications for them of selling Crimson Tide Scheme Shares pursuant to the Scheme. Current or prospective Crimson Tide Scheme Shareholders who are in any doubt about their tax position or require advice in relation to their specific tax position, or who are resident or otherwise subject to taxation in a jurisdiction outside the UK, should consult their own appropriately qualified independent professional advisers immediately. In particular, the following paragraphs do not generally refer to UK inheritance tax considerations and Crimson Tide Scheme Shareholders should consult their own professional advisers in relation to any potential UK inheritance tax implications of the Scheme. Further, it is noted that:

- **the basis in which non-UK domiciled individuals are taxed in the UK; and**
- **the availability of relief from inheritance tax on shares admitted to trading on AIM,**

are each anticipated to change significantly.

1.1 **Shares**

- (a) For the purposes of UK taxation of chargeable gains, the transfer of Crimson Tide Scheme Shares to Checkit in exchange for the issuance of Consideration Shares pursuant to the Scheme should be treated as a reorganisation.
- (b) A Crimson Tide Scheme Shareholder who does not hold (either alone or together with connected person(s)) more than 5 per cent. of, or of any class of, the shares in or debentures of Crimson Tide should not be treated as having made a disposal of such Crimson Tide Scheme Shareholder's Crimson Tide Scheme Shares. Instead, the Consideration Shares issued to the Crimson Tide Scheme Shareholders pursuant to the terms of the Scheme would be treated as the same asset as, and as having been acquired at the same time and for the same consideration as, their old Crimson Tide Scheme Shares.
- (c) Where a Crimson Tide Scheme Shareholder holds (either alone or together with connected person(s)) more than 5 per cent. of, or of any class of, the shares in or debentures of Crimson Tide, the above mentioned tax treatment would only apply where the Scheme is effected for

bona fide commercial reasons and does not form part of a scheme or arrangement of which the main purpose, or one of the main purposes, is the avoidance of a liability to capital gains tax or corporation tax. If these conditions are not met then such Crimson Tide Scheme Shareholder would be treated as having disposed of the relevant Crimson Tide Scheme Shares which may, depending on the Crimson Tide Scheme Shareholder's circumstances and subject to any available relief, give rise to a chargeable gain or allowable loss for the purposes of UK taxation on chargeable gains.

- (d) No application has been made to HM Revenue and Customs for clearance under section 138 of the Taxation of Chargeable Gains Act 1992 to request confirmation that HMRC are satisfied that the relevant conditions will be met. Crimson Tide Scheme Shareholders are advised to take independent advice as to the potential application of the above provisions in light of their own particular motives and circumstances.

1.2 **Transactions in Securities**

- (a) Under the provisions of Chapter 1 of Part 13 of the Income Tax Act 2007 and Part 15 of the Corporation Tax Act 2010, HM Revenue and Customs can in certain circumstances counteract tax advantages arising in relation to a transaction or transactions in securities (which would include the Scheme) by issuing a counteraction notice. Broadly, the effect of a counteraction notice is to treat some or all of the proceeds of capital disposals as distributions of income for tax purposes. These provisions apply only in certain circumstances and, in particular, do not apply where it can be shown that the transaction was entered into for genuine commercial reasons and did not involve as one of its main objects the obtaining of an income tax or corporation tax advantage.
- (b) No application has been made to HM Revenue and Customs for clearance in respect of the application of Chapter 1 of Part 13 of the Income Tax Act 2007 or Part 15 of the Corporation Tax Act 2010 to the Scheme. Crimson Tide Scheme Shareholders are advised to take independent advice as to the potential application of the above provisions in light of their own particular motives and circumstances.

1.3 **UK Stamp Duty and Stamp Duty Reserve Tax ("SDRT")**

- (a) The statements below are intended as a general guide to the current UK stamp duty and SDRT position and apply regardless of whether the purchaser is resident in the UK for tax purposes. Certain categories of person, including market makers, brokers and dealers may not be liable to stamp duty or SDRT and others (including persons connected with depositary arrangements and clearance services), may be liable at a higher rate of 1.5 per cent. or may, although not primarily liable for tax, be required to notify and account for it under the Stamp Duty Reserve Tax Regulations 1986,
- (b) The transfer of Crimson Tide Scheme Shares pursuant to the Scheme should not give rise to any liability to UK stamp duty or SDRT providing:
 - (i) the Crimson Tide Scheme Shares are admitted to trading on AIM at the time which they are transferred to Checkit and are not listed on any other market;
 - (ii) AIM continues to be accepted as a "recognised growth market" (within the meaning of section 99A of the Finance Act 1986) at the time which the Crimson Tide Scheme Shares are transferred to Checkit; and
 - (iii) they are certified appropriately.
- (c) Neither stamp duty nor SDRT should arise on the issuance of Consideration Shares to the Crimson Tide Scheme Shareholders.

PART 7

ADDITIONAL INFORMATION

1. Responsibility

- (a) The Crimson Tide Directors, whose names are set out in paragraph 2(a) below, accept responsibility for the information contained in this Document (including any expressions of opinion) other than the information for which responsibility is taken by the Checkit Directors pursuant to paragraph 1(b) of this Part 7 (*Additional Information*) of this Document. To the best of the knowledge and belief of the Crimson Tide Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- (b) The Checkit Directors, whose names are set out in paragraph 2(b) below, accept responsibility for the information contained in this Document (including any expressions of opinion) relating to Checkit, the Checkit Group, the Checkit Directors (and their close relatives, related trusts and other persons connected with them) and persons acting in concert with Checkit (as such term is defined in the Takeover Code). To the best of the knowledge and belief of the Checkit Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Document (including any expressions of opinion) for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. Directors

- (a) The Crimson Tide Directors and their positions in Crimson Tide are as follows:

<i>Name</i>	<i>Position</i>
Jacqueline Karen Daniell	<i>Non-Executive Chair</i>
Philip Douglas James Meyers	<i>Chief Executive Officer</i>
Peter Maree Hurter	<i>Chief Financial Officer and Company Secretary</i>
Luke Anthony Jeffrey	<i>Chief Technology Officer</i>
Janet Rosemary Morris	<i>Non-Executive Director</i>
James Richard Joyce	<i>Non-Executive Director</i>

The business address of each of the Crimson Tide Directors is the registered office of Crimson Tide at Brockbourne House, 77 Mount Ephraim, Tunbridge Wells, England, TN4 8BS.

- (b) The Checkit Directors and their positions in Checkit are as follows:

<i>Name</i>	<i>Position</i>
Keith Anthony Daley	<i>Non-Executive Chair</i>
Christopher James Kyte	<i>Chief Executive Officer</i>
Kristian Stuart Shaw	<i>Chief Financial Officer</i>
Alexandra Louise Curran	<i>Non-Executive Director</i>

The registered office of Checkit and the business address of each of the Checkit Directors is Broers Building, 21 J J Thomson Avenue, Cambridge, CB3 0FA.

The Company Secretary of Checkit is Hugh William Wooster.

3. Market quotations

Crimson Tide Shares

Set out below are the Closing Prices of Crimson Tide Shares taken from AIM on:

- (a) 20 February 2024 (the date twelve months before the date of this Document);
- (b) The first dealing day in each of the six months immediately before the date of this Document; and

(c) 10 February 2025 (Last Practicable Announcement Date).

<i>Date</i>	<i>Closing Price of Crimson Tide Shares (pence)</i>
20 February 2024	157.50
2 September 2024	140.00
1 October 2024	130.00
1 November 2024	110.00
2 December 2024	97.50
2 January 2025	105.00
3 February 2025	105.00
Last Practicable Scheme Date	105.00

Checkit Shares

Set out below are the Closing Prices of Checkit Shares taken from AIM on:

- (d) 20 February 2024 (the date twelve months before the date of this Document);
- (e) The first dealing day in each of the six months immediately before the date of this Document; and
- (f) 10 February 2025 (Last Practicable Announcement Date).

<i>Date</i>	<i>Closing Price of Checkit Shares (pence)</i>
20 February 2024	24.0
2 September 2024	23.5
1 October 2024	19.7
1 November 2024	20.0
2 December 2024	19.5
2 January 2025	18.0
3 February 2025	16.5
Last Practicable Scheme Date	15.0

4. Interests and dealings

For the purposes of this paragraph 4:

“acting in concert” has the meaning given to it in the Takeover Code;

“arrangement” includes any indemnity or option arrangement, and any agreement or understanding, formal or informal, of whatever nature, relating to relevant securities which may be an inducement to deal or refrain from dealing;

“dealing” has the meaning given to it in the Takeover Code and **“dealt”** has the corresponding meaning;

“derivative” has the meaning given to it in the Takeover Code;

“disclosure period” means the period commencing on 10 February 2024 (the date twelve months prior to the date of the Announcement) and ending on the Last Practicable Announcement Date;

“financial collateral arrangements” are arrangements of the kind referred to in Note 4 on Rule 4.6 of the Takeover Code;

“interest” or **“interests”** in relevant securities shall have the meaning given to it in the Takeover Code and references to interests of the Checkit Directors or interests of Crimson Tide Directors, in relevant securities shall include all interests of any other person whose interests in such securities the Checkit Directors or, as the case may be, the Crimson Tide Directors, are taken to be interested in pursuant to Part 22 of the 2006 Act;

“relevant Checkit securities” means relevant securities (such term having the meaning given to it in the Takeover Code in relation to an offeror) of Checkit including equity share capital of Checkit (or derivatives referenced thereto) and securities convertible into, rights to subscribe for and options (including traded options) in respect thereof;

“relevant Crimson Tide securities” means relevant securities (such term having the meaning given to it in the Takeover Code in relation to an offeree) of Crimson Tide including equity share capital of Crimson Tide (or derivatives referenced thereto) and securities convertible into, rights to subscribe for and options (including traded options) in respect thereof; and

“short position” means any short position (whether conditional or absolute and whether in the money or otherwise), including any short position under the derivative, any agreement to sell or any delivery obligations or right to require another person to purchase or take delivery.

(a) ***Persons acting in concert with Checkit***

In addition to the Checkit Directors (together with their close relatives and related trusts) and members of the Checkit Group (and their related pension schemes), the persons who, for the purposes of the Takeover Code are acting in concert with Checkit for the purposes of the Merger and which are required to be disclosed are:

<i>Name</i>	<i>Registered Office</i>	<i>Relationship with Checkit</i>
Singer Capital Markets Advisory LLP	One, Bartholomew Lane, London, EC2N 2AX	Financial Adviser, Nominated Adviser and Broker

(b) ***Persons acting in concert with Crimson Tide***

In addition to the Crimson Tide Directors (together with their close relatives and related trusts) and members of the Crimson Tide Group (and their related pension schemes), the persons acting in concert with Crimson Tide for the purposes of the Merger and which are required to be disclosed are:

<i>Name</i>	<i>Registered Office</i>	<i>Relationship with Crimson Tide</i>
Cavendish Capital Markets Limited	1 Bartholomew Close, London, England, EC1A 7BL	Rule 3 Adviser, Nominated Adviser and Broker

(c) ***Interests and dealings in relevant Crimson Tide securities***

- (i) As at the close of business on the Last Practicable Scheme Date, the interests of the Crimson Tide Directors (and their close relatives and related trusts and connected persons) in Crimson Tide Shares were as follows:

<i>Name</i>	<i>Number of Crimson Tide Shares</i>	<i>Percentage of Crimson Tide issued share capital*</i>
Jacqueline Daniell	16,722	0.253
Luke Jeffrey	73,251	1.114
Peter Hurter	885	0.013
Total:	90,858	1.38

* Figures rounded to three decimal places.

- (ii) As at the close of business on the Last Practicable Scheme Date, the Crimson Tide Directors held the following outstanding awards and options over Crimson Tide Shares under the Crimson Tide Share Plan:

<i>Name</i>	<i>Maximum number of Crimson Tide Shares awarded</i>	<i>Maximum number of Crimson Tide Shares vested/to be vested</i>	<i>Type of award</i>	<i>Date of grant</i>	<i>Expiry of Grant</i>	<i>Exercise price per Crimson Tide Share (£)</i>	<i>Vesting date</i>
Luke Jeffrey	75,000	75,000	EMI Options	22 December 2020	23 December 2030	3.35	22 December 2023

- (iii) As at the close of business on the Last Practicable Scheme Date, during the disclosure period, the following dealings by the Crimson Tide Directors (and their close relatives and related trusts and connected persons) in Crimson Tide Shares were as follows:

<i>Name</i>	<i>Name of security and price</i>	<i>Buy/sell</i>	<i>Date of dealing</i>	<i>Number of relevant securities</i>
Luke Jeffrey	Ordinary shares of £0.10 each at £0.00 per Crimson Tide Share	Buy	14 November 2024	50,000

(d) **Interests and dealings in relevant Checkit securities**

- (i) As at the close of business on the Last Practicable Scheme Date, the interests of the Checkit Directors (and their close relatives and related trusts and connected persons) in Checkit Shares were as follows:

<i>Name</i>	<i>Number of Checkit Shares</i>	<i>Percentage of Checkit issued share capital</i>
Keith Daley	21,797,504	20.18
Christopher Kyte	167,872	0.16
Alexandra Curran	1,600	<0.01
Total:	21,966,976	20.34

- (ii) As at the close of business on the Last Practicable Scheme Date, the Checkit Directors held the following outstanding awards and options over Checkit Shares:

<i>Name</i>	<i>Maximum number of Checkit Shares awarded</i>	<i>Maximum number of vested/to be vested Checkit Shares</i>	<i>Type of award</i>	<i>Exercise price per Checkit Share (£)</i>	<i>Vesting Date</i>
Christopher Kyte	4,000,000	4,000,000	EMI	5p	The options are subject to the achievement of performance targets and will vest in four increasing tranches. The vesting date for the first tranche of options will be 10 business days after the publication of the audited consolidated accounts of the Group for the Financial Year ending 31 January 2026 ("FY26") or, in the Board's absolute discretion, 10 business days after the publication of the interim accounts for the Group to 31 July 2026. The vesting date for the other three tranches shall follow the same pattern as the first tranche (i.e. the vesting date for the second tranche shall be 10 business days after the publication of the audited consolidated accounts of the Group for the Financial Year ending 31 January 2027. Each tranche shall only vest subject to 'Rule of 40 Targets', 'L/EBIT Targets' and 'Share Price Targets'.

<i>Name</i>	<i>Maximum number of Checkit Shares awarded</i>	<i>Maximum number of vested/to be vested Checkit Shares</i>	<i>Type of award</i>	<i>Exercise price per Checkit Share (£)</i>	<i>Vesting Date</i>
Christopher Kyte	500,000	500,000	EMI	23p	9 January 2026
Christopher Kyte	1,250,000	1,250,000	EMI	20p	11 March 2027

- (iii) As at the close of business on the Last Practicable Scheme Date, during the disclosure period, the following dealings by the Checkit Directors (and their close relatives and related trusts and connected persons) in Checkit Shares were as follows:

<i>Name</i>	<i>Price</i>	<i>Buy/sell</i>	<i>Date of dealing</i>	<i>Number of relevant securities</i>
Keith Daley	18.35p	Buy	7 March 2024	250,000
Keith Daley	19p	Buy	13 March 2024	250,000
Keith Daley	20p	Buy	26 April 2024	100,000
Keith Daley	21p	Buy	12 September 2024	135,000

(e) **General**

Save as disclosed in paragraph 4 (*Interests and dealings*) above and paragraph 6 (*Irrevocable Undertakings and Letters of Intent*) of this Part 7 (*Additional Information*) below, as at the Last Practicable Announcement Date:

- (A) no member of the Checkit Group had any interest in, right to subscribe in respect of, or any short position in relation to, any relevant Crimson Tide securities or relevant Checkit securities nor has any member of the Checkit Group dealt in any relevant Crimson Tide securities or relevant Checkit securities during the disclosure period;
- (B) none of the Checkit Directors had any interest in, right to subscribe in respect of, or any short position in relation to, any relevant Crimson Tide securities or relevant Checkit securities, nor has any such person dealt in any relevant Crimson Tide securities or relevant Checkit securities or during the disclosure period;
- (C) no person deemed to be acting in concert with Checkit had any interest in, right to subscribe in respect of, or any short position in relation to any relevant Crimson Tide securities or relevant Checkit securities, nor has any such person dealt in any relevant Crimson Tide securities or relevant Checkit securities, during the disclosure period;
- (D) no person who has an arrangement with Checkit or any person acting in concert with Checkit had any interest in, right to subscribe in respect of, or any short position in relation to any relevant Crimson Tide securities or relevant Checkit securities, nor has any such person dealt in any relevant Crimson Tide securities or relevant Checkit securities during the disclosure period; and
- (E) neither Checkit, nor any person acting in concert with Checkit, has borrowed or lent any relevant Crimson Tide securities or relevant Checkit securities (including for these purposes any financial collateral arrangements) in the disclosure period, save for any borrowed shares which have been either on-lent or sold.

Save as disclosed in paragraph 4 (*Interests and dealings*) above and paragraph 6 (*Irrevocable Undertakings and Letters of Intent*) of this Part 7 (*Additional Information*) below, as at the Last Practicable Announcement Date:

- (A) no member of the Crimson Tide Group had any interest in, right to subscribe in respect of or any short position in relation to relevant Checkit securities nor has any such person dealt in any relevant Crimson Tide securities or relevant Checkit securities during the Offer Period;
- (B) none of the Crimson Tide Directors had any interest in, right to subscribe in respect of, or any short position in relation to, any relevant Crimson Tide securities or relevant Checkit securities nor has any such person dealt in any relevant Crimson Tide securities or any relevant Checkit securities during the Offer Period;
- (C) no person deemed to be acting in concert with Crimson Tide had any interest in, right to subscribe in respect of, or any short position in relation to, any relevant Crimson Tide securities, nor has any such person dealt in any relevant Crimson Tide securities during the Offer Period;
- (D) no person who has an arrangement with Crimson Tide or any person acting in concert with Crimson Tide had any interest in, right to subscribe in respect of, or any short position in relation to, any relevant Crimson Tide securities, nor has any such person dealt in any relevant Crimson Tide securities during the Offer Period; and
- (E) neither Crimson Tide, nor any person acting in concert with Crimson Tide has borrowed or lent any relevant Crimson Tide securities, save for any borrowed shares which have been either on-lent or sold.

Save as disclosed herein, no persons have given any irrevocable or other commitment to vote in favour of the Scheme or the Resolution to be proposed at the General Meeting.

Save as disclosed herein, none of: (i) Checkit or any person acting in concert with Checkit; or (ii) Crimson Tide or any person acting in concert with Crimson Tide has any arrangement in relation to relevant securities.

Save as disclosed herein, no agreement, arrangement or understanding (including any compensation arrangement) exists between Checkit or any person acting in concert with it and any of the Crimson Tide Directors or the recent directors, shareholders or recent shareholders of Crimson Tide having any connection with or dependence upon or which is conditional upon the Merger.

Save as disclosed herein and save that Checkit reserves the right to transfer any such shares to any other member of the Wider Checkit Group, there is no agreement, arrangement or understanding whereby the beneficial ownership of any Crimson Tide Shares to be acquired by Checkit pursuant to the Scheme will be transferred to any other person.

No relevant securities of Crimson Tide have been redeemed or purchased by Crimson Tide during the disclosure period.

5. Bases of calculation and sources of information

In this Document unless otherwise stated or the context otherwise requires, the bases and sources used are as set out in Part 8 (*Source of Information and Bases of Calculation*) of this Document.

6. Irrevocable Undertakings and Letters of Intent

- (a) As at the Last Practicable Announcement Date, the following Crimson Tide Directors who hold Crimson Tide Shares have each given irrevocable undertakings in relation to their holdings of Crimson Tide Shares to vote in favour of the resolution relating to the Scheme at the Court Meeting and the Resolution at the General Meeting (or, in the event that the Merger is implemented by an Offer, to accept or procure acceptance of such Offer):

<i>Name</i>	<i>Number of Crimson Tide Shares</i>	<i>Percentage of Crimson Tide's issued share capital*</i>
Jacqueline Daniell	16,722	0.253
Luke Jeffrey	73,251	1.114
Peter Hurter	885	0.013
Total:	<u>90,858</u>	<u>1.38</u>

* *Figures rounded to three decimal places.*

The irrevocable undertakings referred to in this paragraph 6(a) above shall cease to be binding on the earlier of the following occurrences:

- (i) if Checkit announces, with the consent of the Panel, that it does not intend to proceed with the Merger;
 - (ii) if any competing offer for Crimson Tide becomes or is declared unconditional in all respects or otherwise becomes effective; or
 - (iii) on and from the earlier of (a) the Long Stop Date or (b) the time and date on which the Merger is withdrawn, lapses or otherwise terminates in accordance with its terms (provided that the reason is not because Checkit has elected to proceed by way of an Offer rather than by way of a Scheme or vice versa).
- (b) As at the Last Practicable Announcement Date, the following Crimson Tide Shareholder has given an irrevocable commitment in relation to relevant securities of Crimson Tide to vote in favour of the resolution relating to the Scheme at the Court Meeting and the Resolution at the General Meeting (or, if applicable, to accept the Offer):

<i>Beneficial Holder</i>	<i>Registered Holder</i>	<i>Total Number of Crimson Tide Shares</i>	<i>Percentage of existing issued share capital</i>
William Currie Investments Limited/ William Currie	JIM Nominees Limited/ Pershing Securities Limited	347,666	5.29

- (c) The obligations contained in the irrevocable undertaking referred to in paragraph 6(b) above shall cease to have effect on the earlier of the following occurrences:
- (i) if Checkit announces, with the consent of the Panel, that it does not intend to proceed with the Merger;
 - (ii) if any competing offer for Crimson Tide becomes or is declared unconditional in all respects or otherwise becomes effective;
 - (iii) on and from the earlier of (a) the Long Stop Date or (b) the time and date on which the Merger is withdrawn, lapses or otherwise terminates in accordance with its terms (provided that the reason is not because Checkit has elected to proceed by way of an Offer rather than by way of a Scheme or vice versa); or
 - (iv) if, within ten business days after the despatch of this Document, a third party announces, in accordance with Rule 2.7 of the Takeover Code, a firm intention to make an offer to acquire all the issued and to be issued equity share capital of Crimson Tide for a consideration per share

which represents at least 10 per cent. greater than the value of the consideration per share available under the Merger as at the date of such third party announcement and Checkit does not within 14 business days of such third party announcement increase the consideration payable under the Merger to an amount which is equal to or exceeds the value of such third party offer.

- (d) In addition, the following Crimson Tide Shareholders have each delivered a non-binding letter of intent to vote in favour of the resolutions relating to the Merger at the Meetings, or to accept the Offer if the Merger is implemented as an Offer, in respect of their interests in Crimson Tide Shares:

<i>Name</i>	<i>Total number of Crimson Tide Shares</i>	<i>Percentage of existing issued share capital</i>
Canaccord Genuity Asset Management Limited	720,000	10.95
Herald Investment Management Limited	323,333	4.92
Octopus Investments	315,000	4.79
TOTAL	<u>1,358,333</u>	<u>20.66</u>

- (e) As at the date of this document, the following Checkit Directors who hold Checkit Shares have each given irrevocable undertakings in relation to their holdings of Checkit Shares to vote in favour of the Checkit Resolution at the Checkit General Meeting:

<i>Name</i>	<i>Number of Checkit Shares</i>	<i>Percentage of Checkit's issued share capital*</i>
Keith Daley	21,797,504	20.18
Christopher Kyte	167,872	0.16
Alexandra Curran	1,600	<0.01
TOTAL	<u>21,966,976</u>	<u>20.34</u>

* Figures rounded to two decimal places.

7. Summary of rights attached to New Checkit Shares

In this summary reference to shareholders includes Crimson Tide Scheme Shareholders holding New Checkit Shares following the Merger.

(a) Voting rights

- (i) Subject to any rights or restrictions as to voting attached to any shares, on a show of hands every Shareholder present in person has one vote, and every proxy present who has been duly appointed by one or more Checkit Shareholder entitled to vote has one vote.
- (ii) On a poll every Checkit Shareholder (whether present in person or by a duly appointed proxy) has one vote for every share of which he is the holder or in respect of which his appointment as proxy has been made. A Checkit Shareholder entitled to more than one vote need not, if he votes use all his votes or cast all the votes he uses the same way. In the case of joint holders only the vote of the most senior joint holder shall count (to the exclusion of any other joint holders) and seniority shall be determined by the order in which the names of the holders appear in the register of Checkit.
- (iii) Unless the Checkit Directors otherwise determine, no Checkit Shareholder shall be entitled to vote at any general meeting or meeting of the holders of any class of shares of Checkit either personally or by proxy or to exercise any other right conferred by membership in relation to

meetings of Checkit or of the holders of any class of shares of Checkit if any call or other sum then payable by him in respect of that share remains unpaid to Checkit.

(b) **Pre-emption rights**

There are no rights of pre-emption under the Checkit Articles in respect of transfers of issued Checkit Shares. In certain circumstances, the Checkit Shareholders may have statutory pre-emption rights under the 2006 Act in respect of the allotment of new Checkit Shares. These statutory pre-emption rights would require Checkit to offer new shares for allotment to existing Checkit Shareholders on a pro rata basis before allotting them to other persons. In such circumstances, the procedure for the exercise of such statutory pre-emption rights would be set out in the documentation by which such shares would be offered to the Checkit Shareholders.

(c) **Dividends**

- (i) Subject to the provisions of the 2006 Act and the Checkit Articles, Checkit may by ordinary resolution declare dividends to be paid to Checkit Shareholders in accordance with their respective rights and priorities. However, the dividends shall not exceed the amount recommended by the Checkit Board. Subject to the provisions of the 2006 Act and, so far as in the opinion of the Checkit Board the profits justify such payments, the Checkit Board may declare and pay interim dividends, of fixed dividends payable as it sees fit.
- (ii) Except as otherwise provided by the Checkit Articles or the rights attached to any shares, all dividends shall be declared and paid according to the amounts paid on the shares in respect of which the dividend is paid; but no amount paid on a share in advance of the date upon which a call is payable shall be treated for these purposes as paid on the share.
- (iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date, such share shall rank for or be entitled to dividends accordingly

(d) **Winding-up**

If Checkit shall be wound up the liquidator may, with the sanction of a special resolution and with any other sanction required by the 2006 Act, divide among the Checkit Shareholders in specie or kind the whole or any part of the assets of Checkit and for such purposes may set such value upon any assets and may determine how such division shall be carried out as between the Checkit Shareholders or different classes of Checkit Shareholders. With the like sanction, the liquidator may vest the whole or any part of the assets in trustees upon such trusts for the benefit of the Checkit Shareholders as he shall think fit, but no Checkit Shareholder shall be compelled to accept any shares or other securities upon which there is a liability.

(e) **Transfer of shares**

- (i) A share in Checkit in certificated form shall be transferred by instrument of transfer in any usual or common form, or in any other form approved by the Checkit Board, signed by or on behalf of the transferor and, in the case of partly paid shares, by or on behalf of the transferee.
- (ii) All transfers or shares in uncertificated form shall be made in accordance with and be subject to the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755) (as amended from time to time) (the "Regulations") and in accordance with any arrangements made by the Checkit Board pursuant to the Checkit Articles.
- (iii) The Checkit Board may, in their absolute discretion, refuse to register the transfer of a share which is not fully paid up. The Checkit Board may also refuse to register a transfer of a share in certificated form unless the instrument of transfer:
 - (A) is duly stamped or duly certificated;
 - (B) is delivered for registration at the registered office of Checkit or such other place as the Checkit Board may appoint and is accompanied by the certificate for the share to which it

relates and such other evidence as the Checkit Board may reasonably require to show the right of the transferor to make the transfer;

- (C) is in respect of only one class of share; and
 - (D) is not in favour of more than four transferees.
- (iv) The Checkit Board may refuse to register a transfer of a share in uncertificated form in any case where Checkit is entitled to refuse to register the transfer in such other circumstances as may be permitted by the Regulations.
 - (v) If the Checkit Board refuse to register a transfer of a share they shall send the transferee notice of the refusal within two months after the date on which the transfer was lodged with Checkit or, in the case of an uncertificated share, the date on which the appropriate instruction was received by or on behalf of Checkit in accordance with the Regulations.
 - (vi) No fees shall be charged for the registration of any instrument of transfer or other document or instruction relating to or affecting the title to any share.

(f) ***Variation of rights***

- (i) Whenever the capital of Checkit is divided into different classes of shares, the rights attached to any class may be varied or abrogated, whether or not Checkit is being wound up, either with the consent in writing of the holders of not less than three-quarters in nominal amount of the issued shares of the affected class (excluding any shares of that class held as treasury shares), or with the sanction of a special resolution passed at a separate general meeting of the holders of shares of that class.
- (ii) At every such separate general meeting the necessary quorum at any such meeting other than an adjourned meeting shall be two persons holding or representing by proxy at least one-third in nominal amount of the issued shares of the class in question and at an adjourned meeting one person holding shares of the class in question or his proxy. Every holder of shares of the class present in person or by proxy shall, on a poll, have one vote in respect of every share of the class held by him and shall be entitled to demand a poll.

(g) ***Alteration of share capital***

Checkit may, subject to the passing of a resolution authorising it to do so in accordance with the 2006 Act:

- (i) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares,
- (ii) sub-divide its shares, or any of them, into shares of smaller amount and the resolution may determine that, as between the shares resulting from the sub-division, any of them may have any preference or advantage as compared with the others, and
- (iii) cancel shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

(h) ***Notice requiring disclosure of interest in shares***

- (i) If a Checkit Shareholder, or any other person appearing to be interested in any shares, fails to provide the information requested in a notice given to him under section 793 of the 2006 Act by Checkit in relation to his interest in shares (the “default shares”) within 14 days shall not be entitled to attend or vote (whether in person or by representative or proxy) at any general meeting of Checkit and, if the nominal value of the default shares represents at least 0.25 per cent. of their class, less any shares of that class held in treasury by Checkit, the holder of the default shares shall not be entitled:
 - (A) to receive any dividend or other distribution; or
 - (B) to transfer (save in certain circumstances) any of the shares or rights in them.

- (ii) The restrictions summarised in paragraph 7 (h) (i) shall continue for the period specified by the Checkit Board, until the earlier of:
 - (A) Checkit being notified that the default shares have been sold pursuant to an exempt transfer (an exempt transfer being a sale of the share on a recognised investment exchange as defined in FSMA in the United Kingdom or in any stock exchange outside the United Kingdom on which those shares are normally traded, a sale of the whole beneficial interest in the shares to a party unconnected with the Checkit Shareholder and with other persons appearing to be interested in such shares, or an acceptance of a takeover offer) or;
 - (B) due compliance, to the satisfaction of the Checkit Board, with the section 793 notice.

(i) **Untraced shareholders**

Subject to certain notice requirements, Checkit shall be entitled to sell at the best price reasonably obtainable at the time of sale any share held by a Checkit Shareholder if and provided that:

- (i) during a period of 12 years, at least three cash dividends have been declared in respect of the share in question and no dividend has been claimed during that period in respect of such shares;
- (ii) Checkit has, after expiration of that period, inserted advertisements both in a national daily newspaper and in a newspaper circulating in the area of the last known address of such Checkit Shareholder or other person giving notice of its intention to sell the shares, before sending such notice; and

during the said period of 12 years and the period of three months following the date of such notice, Checkit shall not have received an indication either of the whereabouts or of the existence of such member or person.

(j) **Unclaimed Dividends**

Any dividend unclaimed after a period of twelve years from the date when it became due for payment shall be forfeited and shall revert to Checkit.

8. Material contracts

(a) **Crimson Tide material contracts**

Save as disclosed below and the Confidentiality Agreement in paragraph 8(c) below, there have been no material contracts entered into by Crimson Tide or any of its subsidiaries during the period commencing on 10 February 2023 (being the date two years before the commencement of the Offer Period) and ending on the Last Practicable Scheme Date which are outside the ordinary course of business and which are or may be considered material:

(i) *Confidentiality Agreement*

See paragraph 12(i) of Part 2 (*Explanatory Statement*) of this Document for the details of the Confidentiality Agreement entered into by Checkit and Crimson Tide.

(b) **Checkit material contracts**

Save as disclosed below, there have been no material contracts entered into by Checkit during the period commencing on 10 February 2023 (being the date two years before the commencement of the Offer Period) and ending on the Last Practicable Scheme Date which are outside the ordinary course of business and which are or may be considered material.

(i) *Confidentiality Agreement*

See paragraph 12(i) of Part 2 (*Explanatory Statement*) of this Document for the details of the Confidentiality Agreement entered into by Checkit and Crimson Tide.

(c) **Offer-related arrangements**

The following contracts, not being contracts entered into in the ordinary course of business, have been entered into by Checkit in the period beginning on 10 February 2023 (being the date two years before the commencement of the Offer Period) and ending on the Last Practicable Scheme Date:

(i) *Confidentiality Agreement*

See paragraph 12(i) of Part 2 (*Explanatory Statement*) of this Document for the details of the Confidentiality Agreement entered into by Checkit and Crimson Tide.

9. Service Contracts and Remuneration

Save as disclosed below, there are no service contracts in force between any director or proposed director of Crimson Tide or any of its subsidiaries and no such contract has been entered into or amended during the six months preceding the date of this Document:

(a) **Crimson Tide Executive Directors**

Philip Meyers, Chief Executive Officer

Philip Meyers was appointed as Chief Executive Officer on 17 April 2024. Philip Meyers is engaged under a service agreement with Crimson Tide dated 30 April 2024.

Peter Hurter, Chief Financial Officer and Company Secretary

10. Peter Hurter was appointed as Chief Financial Officer on 30 July 2024. Peter Hurter has previously served as CFO between 2018 and 2023 and has been COO since 1 June 2024, in a non-board capacity. Peter Hurter is engaged under a fixed term contract with Crimson Tide dated 10 November 2024. Peter Hurter was appointed as a director and as the secretary of Crimson Tide on 30 July 2024.

Luke Jeffrey, Chief Technology Officer

Luke Jeffrey was appointed as Chief Technology Officer on August 2022 having served as CEO from 2018. Luke Jeffrey is engaged under a service agreement with Crimson Tide dated 24 July 2023. Luke Jeffrey was appointed as a director of Crimson Tide on 1 July 2012.

The Crimson Tide Non-Executive Directors

The Crimson Tide Non-Executive Directors have each entered into letters of appointment with Crimson Tide. The appointment of each Crimson Tide Non-Executive Director is subject to their re-election every year at each annual general meeting of Crimson Tide.

Jacqueline Daniell, Chair

Jacqueline Daniell was appointed as a Non-Executive Director on 28 January 2021. Jacqueline Daniell was appointed as a Chair on 30 July 2024.

Other Crimson Tide Non-Executive Directors

Each of the other Crimson Tide Non-Executive Directors is engaged under a letter of appointment which is terminable by either party on 3 months' written notice. Under the letters of appointment, the Crimson Tide Non-Executive Directors are typically appointed for a 3 year term. The Non-Executive Directors' letters of appointment are terminable by Crimson Tide with immediate effect in certain specified circumstances including material breach of their obligations under the letter of appointment, repeated breach or non-performance of their obligations to Crimson Tide or them being guilty of any fraud or dishonesty or criminal offence or being declared bankrupt. The Crimson Tide Non-Executive Directors are subject to post termination restrictions for a period of up to 12 months after termination.

The table below provides details of the Non-Executive Directors' letters of appointment:

<i>Director</i>	<i>Date appointed Director</i>	<i>Original letter of appointment date</i>	<i>Fees (per annum)</i>
Jacqueline Daniell	28 January 2021	26 January 2021	£60,000
Janet Morris	20 June 2023	9 June 2023	£25,000
James Joyce	17 April 2024	28 February 2024	£25,000

10.1 Save as disclosed above:

- (a) there are no service contracts or letters of appointment, between any Crimson Tide Director or proposed director of Crimson Tide and any member of the Crimson Tide Group and save as disclosed above, no such contract or letter of appointment has been entered into or amended within the six months preceding the date of this Document;
- (b) no Crimson Tide Director is entitled to commission or profit-sharing arrangements; and
- (c) other than statutory compensation and payment in lieu of notice, no compensation is payable by Crimson Tide to any Crimson Tide Director upon early termination of their appointment.

10.2 Save as set out in this Document, the effect of the Scheme on the interests of the Crimson Tide Directors does not differ from its effect on the like interests of any other holder of Crimson Tide Scheme Shares.

10.3 Save as disclosed in this Document, the emoluments of the Crimson Tide Directors and the Checkit Directors will not be affected by the Merger or any other associated transaction.

11. Financial effects of the Merger

11.1 On Checkit and the Combined Group

- (a) Following the Merger becoming Effective, the earnings, assets and liabilities of the Crimson Tide Group will be incorporated into the consolidated earnings, assets and liabilities of the Checkit Group. The consolidated earnings, assets and liabilities of the Combined Group would thereby be altered accordingly.
- (b) Further details of the effect of the Merger on the Checkit Group and the Combined Group are set out in paragraph 2 of Part I (*Letter from the Chair of Crimson Tide*) of this document.

11.2 On Crimson Tide Shareholders

- (a) If the Merger completes, Crimson Tide Scheme Shareholders will be entitled to receive 6 New Checkit Shares for each Crimson Tide Share.
- (b) The following table shows, for illustrative purposes only, and on the bases and assumptions set out in the notes below, the financial effects of the Merger on the capital value and income for a holder of one Crimson Tide Share, receiving the Consideration.
- (c) Column (A) is based on the Closing Price of Checkit Shares and Crimson Tide Shares on the Last Practicable Scheme Date.
- (d) Column (B) is based on the Scheme Closing Price of Checkit Shares and Crimson Tide Shares on 10 February 2025 (being the Last Practicable Announcement Date).

<i>Illustrative effect on capital value of one Crimson Tide Share</i>	<i>(A)(Pence)</i>	<i>(B) (Pence)</i>
Value of 6 New Checkit Shares ⁽¹⁾	90.00	99.00
Less: market value of one Crimson Tide Share ⁽²⁾	87.50	105.00
Illustrative increase/(decrease) in capital value	2.50	(6.00)
Representing an increase/(decrease) in capital value of approximately ⁽³⁾	2.8%	(5.7)%

Notes:

- (1) The values of 6 New Checkit Shares of 90 pence (in Column A), and of 99 pence (in Column B), implied by the terms of the Merger, are calculated based on the Closing Prices per Checkit Share of:
 - (a) 15 pence per Checkit Share on the Last Practicable Scheme Date; and
 - (b) 16.5 pence per Checkit Share on 10 February 2025 (being the last Business Day prior to the Announcement Date).
- (2) Based, respectively, on the Closing Price of a Crimson Tide Share of:
 - (a) 87.5 pence on the Last Practicable Scheme Date (in Column A); and
 - (b) 105 pence on 10 February 2025 (being the last Business Day prior to the Rule 2.7 Announcement Date) (in Column B).
- (3) Calculated as the increase/(decrease) in capital value as a proportion of the market value of one Crimson Tide Share in percentage terms.
- (4) Neither Checkit nor Crimson Tide is dividend paying; accordingly the Merger will have no effect on the gross income accruing to Crimson Tide Shares.

Crimson Tide Shareholders should note that the value of the consideration they will ultimately receive for their Crimson Tide Shares pursuant to the Merger will depend upon the market value of the New Checkit Shares received by them following the Effective Date.

12. Other Information

- (a) Except as disclosed in this Document, no agreement, arrangement or understanding (including any compensation arrangement) exists between Checkit, Crimson Tide or any person acting in concert with either of them and any of the directors, recent directors, shareholders or recent shareholders of Crimson Tide or any person interested or recently interested in shares of Crimson Tide having any connection with or dependence on or which is conditional upon the outcome of the Merger.
- (b) Save with the consent of the Panel, settlement of the Consideration to which each Crimson Tide Scheme Shareholder is entitled under the Scheme will be implemented in full in accordance with the terms of the Scheme without regard to any lien or right of set-off, counterclaim or other analogous right to which Checkit may otherwise be, or claim to be, entitled against any such Crimson Tide Scheme Shareholder.
- (c) Except as disclosed in this Document, there is no agreement, arrangement or understanding by which any securities acquired in pursuance of the Merger will be transferred to any other person, but Checkit reserves the right to transfer any such shares to any member of the Checkit Group.
- (d) Save as disclosed in this Document, there is no agreement or arrangement to which Checkit is a party which relates to the circumstances in which it may or may not invoke a Condition to the Scheme.

13. Consent

Cavendish and Singer Capital Markets have each given and not withdrawn their consent to the publication of this Document with the inclusion herein of the references to their names in the form and context in which they appear.

14. No Significant Change

- (a) Except as disclosed in this Document, there has been no significant change in the financial or trading position of Crimson Tide since 30 June 2024 (the date to which the latest interim accounts of Crimson Tide were prepared).
- (b) Except as disclosed in this Document, there has been no significant change in the financial or trading position of Checkit since 31 July 2024 (the date to which the latest interim accounts of Checkit were prepared).

15. Fees and Expenses

Checkit estimates that the aggregate fees and expenses expected to be incurred by Checkit in connection with the Merger will be £632,500 (excluding any applicable VAT and other taxes). Set out below are the estimates of fees and expenses (excluding any applicable VAT and other expenses) expected to be incurred in relation to:

	£
(a) Financial advice ⁽¹⁾	350,000
(b) Legal advice ⁽²⁾	200,000
(c) Accounting advice	nil
(d) Public relations advice	nil
(e) Other professional services (Registrar)	75,000
(f) Other costs and expenses	7,500

(1) The total amount payable in respect of the aggregate fees and expenses for these services depends on whether the Merger becomes Effective.

(2) These services are charged by reference to hourly or daily rates. Amounts included here reflect the time incurred up to the Last Practicable Announcement Date and an estimate of the further time required until the Effective Date.

Crimson Tide estimates that the aggregate fees and expenses expected to be incurred by Crimson Tide in connection with the Merger will be £679,775 (excluding applicable VAT). Set out below are the estimates of fees and expenses (excluding applicable VAT) expected to be incurred in relation to:

	£
(a) Financial advice ⁽¹⁾	350,000
(b) Legal advice ⁽²⁾	275,000
(c) Accountancy advice	nil
(d) Public relations advice	nil
(e) Other professional services (Registrar)	19,450
(f) Other costs and expenses	35,325

(1) The total amount payable in respect of the aggregate fees and expenses for these services depends on whether the Merger becomes Effective.

(2) These services are charged by reference to hourly or daily rates. Amounts included here reflect the time incurred up to the Last Practicable Announcement Date and an estimate of the further time required until the Effective Date.

16. Documents

Copies of the following documents will be available by 12.00 p.m. noon on the Business Day following the date of publication of this Document, subject to any restrictions relating to persons resident in certain jurisdictions, at www.crimsontide.co.uk/offer until the Effective Date:

- (a) this Document and the Forms of Proxy;
- (b) the memorandum and articles of association of each of Crimson Tide and Checkit;
- (c) the 2023 Crimson Tide Annual Report and the 2022 Crimson Tide Annual Report;
- (d) the Crimson Tide Articles as proposed to be amended pursuant to the Resolution;
- (e) the irrevocable undertakings and letters of intent to vote in favour of the Merger referred to in paragraph 6 of this Part 7 (*Additional Information*) of this Document above;
- (f) the Confidentiality Agreement referred to in paragraph 8(b)(ii) of this Part 7 (*Additional Information*) of this Document above;
- (g) the Announcement;
- (h) the financial information relating to Crimson Tide referred to in Part A of Part 5 (*Financial Information and Ratings*) of this Document; and
- (i) the written consents referred to in paragraph 11 of this Part 7 (*Additional Information*) of this Document above.

Neither the content of the websites referred to in this Document, nor the content of any website accessible from hyperlinks on such websites, is incorporated into or form part of this Document.

Crimson Tide Shareholders, persons with information rights and any other person to whom a copy of this Document has been sent will not automatically be sent a copy of any document incorporated into this Document by reference. Crimson Tide will, however, upon written or oral request of any such person, provide without charge a copy of any documents incorporated by reference into this Document. Documents referred to in documents incorporated by reference into this Document are not incorporated into and do not form part of this Document and, accordingly, will not be provided unless they are specifically incorporated by reference into this Document.

Requests for copies of any such documents should be made in writing to Crimson Tide's Registrar, Neville Registrars Limited at Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, West Midlands, United Kingdom, B62 8HD or between 9.00 a.m. and 5.00 p.m. Monday to Friday (except public holidays in England and Wales) on +44 (0)121 585 1131 (if calling from outside of the United Kingdom, please ensure the country code is used) with an address to which the hard copy may be sent. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate.

Dated: 20 February 2025

PART 8

SOURCE OF INFORMATION AND BASES OF CALCULATION

Unless otherwise stated in this Document:

1. Crimson Tide's fully diluted equity value has been calculated on the basis of a fully diluted issued ordinary share capital of 6,574,863 Crimson Tide Shares, calculated as:
 - (a) 6,574,863 Crimson Tide Shares in issue as at 18 February 2025 (being the Last Practicable Scheme Date); plus
 - (b) at the Last Practicable Scheme Date, no Crimson Tide Shares to be issued under the Crimson Tide Share Plan.
2. A value of approximately £6.5 million for the entire issued and to be issued share capital of Crimson Tide is based on:
 - (a) An implied value of 99 pence per Crimson Tide Share; and
 - (b) Crimson Tide's assumed fully diluted issued ordinary share capital of 6,574,863 Crimson Tide Shares, as set out in paragraph 1 above.
3. Certain figures included in this Document have been subject to rounding adjustments
4. The International Securities Identification Number (ISIN) of Crimson Tide's ordinary shares is GB00BRJRV969.
5. The International Securities Identification Number (ISIN) of Checkit's ordinary shares is GB00B0C5RG72.

PART 9

PROFIT ESTIMATES

Part A: FY25 Checkit Profit Estimate

On 25 April 2024, in the announcement of its final results for the year ended 31 January 2024, Checkit updated the market in relation to FY25 trading with reference to the market expectations immediately prior to that announcement and which were for Adjusted LBITDA of £2.3 million:

“Trading since the start of the new financial year has seen continued momentum in line with the Board’s and market expectations.”

“Looking forward, the Board is optimistic about meeting market expectations for FY25.”

On 12 September 2024, in the announcement of its interim results for the six months ended 31 July 2024, Checkit again updated the market in relation to FY25 with reference to the market expectations immediately prior to that announcement which were for Adjusted LBITDA of £2.3 million.

“the Board remains confident of delivering market expectations for revenue and LBITDA for this financial year.”

“we remain on track to meet market revenue and LBITDA expectations for the current year.”

Application of Rule 28 to the FY25 Checkit Profit Estimate

The statements from Checkit above set an expectation for the 12 months ended 31 January 2025 (the **“FY25 Checkit Profit Estimate”**). The FY25 Checkit Profit Estimate is a profit estimate for the purposes of Rule 28.1 of the Takeover Code.

Checkit Directors’ confirmation

The Checkit Directors have considered the FY25 Checkit Profit Estimate and confirm that it remains valid as at the date of the Announcement. The Checkit Directors confirm that the FY25 Checkit Profit Estimate has been properly compiled and that the basis of accounting used is consistent with Checkit’s accounting policies which are in accordance with International Financial Reporting Standards and those that Checkit applied in preparing its financial statements for the year ended 31 January 2024.

Basis of preparation and assumptions

The FY25 Checkit Profit Estimate is based on the unaudited management accounts of Checkit for the year ended 31 January 2025. The FY25 Checkit Profit Estimate is not based on any assumptions.

Part B: FY24 Crimson Tide Profit Estimate

On 26 September 2024, in the announcement of its interim results for the six months to 30 June 2024, Crimson Tide updated the market in relation to trading for the full year to 31 December 2024 with reference to board expectations immediately prior to that announcement:

“Given the increased sales cycle, our expectation is that revenue and EBITDA for H2 2024 will be broadly in line with H1 2024, evidencing good year on year EBITDA growth, albeit on flat revenues.”

Application of Rule 28 to the FY24 Crimson Tide Profit Estimate

The FY24 Crimson Tide Profit Estimate is a profit estimate for the purpose of Rule 28.1 of the Takeover Code.

Crimson Tide Directors' confirmation

The Crimson Tide Directors have considered the FY24 Crimson Tide Profit Estimate and confirm that it remains valid as at the date of the Announcement. The Crimson Tide Directors confirm that the FY24 Crimson Tide Profit Estimate has been properly compiled and that the basis of accounting used is consistent with Crimson Tide's accounting policies which are in accordance with International Financial Reporting Standards and those that Crimson Tide applied in preparing its financial statements for the year ended 31 December 2023.

Basis of preparation and assumptions

The FY24 Crimson Tide Profit Estimate is based on the unaudited management accounts of Crimson Tide for the year ended 31 December 2024. The FY24 Crimson Tide Profit Estimate is not based on any assumptions.

PART 10

DEFINITIONS

The following definitions apply throughout this Document, other than in the Scheme set out at Part 4 (*The Scheme of Arrangement*) of this Document and in the notices of the Meetings, unless the context requires otherwise:

“£”, “pence” or “sterling”	means the lawful currency of the United Kingdom;
“2006 Act”	means the Companies Act 2006, as amended from time to time;
“2022 Crimson Tide Annual Report”	means the annual report and audited accounts of the Crimson Tide Group for the year ended 31 December 2022;
“2023 Crimson Tide Annual Report”	means the annual report and audited accounts of the Crimson Tide Group for the year ended 31 December 2023;
“AIM”	means the AIM Market operated by the London Stock Exchange;
“AIM Rules”	means the AIM Rules for Companies published by the London Stock Exchange (as amended from time to time);
“Announcement”	means the announcement of a firm intention to make an offer for the entire issued and to be issued share capital of Crimson Tide pursuant to Rule 2.7 of the Takeover Code made by Checkit on the Announcement Date;
“Announcement Date”	means 11 February 2025;
“ARR”	means annual recurring revenues;
“Authorisations”	means authorisations, orders, grants, recognitions, confirmations, consents, licences, clearances, certificates, permissions or approvals, in each case of a Third Party;
“Business Day”	a day, not being a public holiday, Saturday or Sunday, on which clearing banks in London are open for normal business;
“Cavendish”	means Cavendish Capital Markets Limited, a company incorporated in England and Wales with company number 06198898, whose registered office is at 1 Bartholomew Close, London, England, EC1A 7BL;
“certificated” or “in certificated form”	in relation to a share or other security, a share or other security title to which is recorded in the relevant register of the share or other security as being held in certificated form (that is, not in CREST);
“Checkit”	means Checkit plc, a public limited company incorporated under the laws of England and Wales with registered number 00448274 and whose registered office is at Broers Building, 21 J J Thomson Avenue, Cambridge, CB3 0FA;
“Checkit Articles”	means the articles of association of Checkit;
“Checkit Circular”	means the circular relating to the Checkit Resolution and convening the Checkit General Meeting to be published and sent by Checkit to the Checkit Shareholders;

“Checkit Directors” or “Checkit Board”	means the directors of Checkit, being Alexandra Louise Curran, Keith Anthony Daley, Christopher James Kyte and Kristian Stuart Shaw;
“Checkit General Meeting”	means the general meeting of Checkit to be convened in connection with the Merger, notice of which will be set out in the Checkit Circular, including any adjournment thereof;
“Checkit Group”	means Checkit and its direct and indirect subsidiary undertakings including, following completion of the Merger, Crimson Tide, and where the context permits, each of them;
“Checkit Shareholders”	means the holders of Checkit Shares;
“Checkit Resolution”	means the resolution to be proposed at the Checkit General Meeting to authorise the allotment of the New Checkit Shares;
“Checkit Shares”	means ordinary shares of 5 pence each in the capital of Checkit;
“Closing Price”	the closing middle market price of a Crimson Tide Share or a Checkit Share (as appropriate) as derived from the AIM Appendix of the Daily Official List on any particular trading day;
“Combined Group”	means the Checkit Group as enlarged by the acquisition of the Crimson Tide Group following Completion;
“Completion”	the date on which the Merger becomes or is declared Effective;
“Conditions”	means each of the conditions to implementation of the Merger, as set out in Part 3 (<i>Conditions to and Further Terms of the Merger</i>) of this Document and “Condition” means such one or more of them as the context may require;
“Confidentiality Agreement”	means the confidentiality agreement dated 17 October 2024 between Crimson Tide and Checkit;
“Court”	means the High Court of Justice in England and Wales;
“Court Meeting”	means the meeting of Crimson Tide Scheme Shareholders to be convened at the direction of the Court pursuant to Part 26 of the 2006 Act at which a resolution will be proposed to approve the Scheme (with or without amendment), including any adjournment thereof, notice of which is contained in Part 12 (Notice of Court Meeting) of this Document;
“Court Order”	means the order of the Court sanctioning the Scheme under Part 26 of the 2006 Act;
“CREST”	means the relevant system (as defined in the CREST Regulations) in respect of which Euroclear UK & International Limited is the Operator (as defined in the CREST Regulations)
“CREST Proxy Instructions”	means a properly authenticated CREST message appointing and instructing a proxy to attend and vote in place of a Crimson Tide Shareholder in the Court Meeting and/or the General Meeting and containing the information required to be contained in the CREST manual;

“CREST Regulations”	means the Uncertificated Securities Regulations 2001 (SI2001 No. 3755), including (i) any enactment or subordinate legislation which amends or supersedes those regulations and (ii) any applicable rules made under those regulations or any such enactment or subordinate legislation for the time being in force;
“Crimson Tide”	means Crimson Tide plc, a company incorporated in England and Wales with company number 00113845 whose registered office is at Brockbourne House, 77 Mount Ephraim, Tunbridge Wells, England, TN4 8BS;
“Crimson Tide Articles”	means the articles of association of Crimson Tide, adopted on 5 February 2016;
“Crimson Tide Board” or “Crimson Tide Directors”	means the directors of Crimson Tide as at the date of this Document or, where the context so requires, the board of directors of Crimson Tide from time to time;
“Crimson Tide Executive Directors”	means Philip Meyers, Peter Hurter and Luke Jeffrey;
“Crimson Tide Group”	means Crimson Tide and its group undertakings from time to time and where the context permits, each of them;
“Crimson Tide Non-Executive Directors”	means Jacqueline Daniell, Janet Morris and James Joyce;
“Crimson Tide Scheme Shareholder”	means a holder of Crimson Tide Scheme Shares;
“Crimson Tide Scheme Shares”	means all Crimson Tide Shares: (i) in issue at the date of this Document and which remain in issue at the Scheme Record Time; (ii) (if any) issued after the date of this Document but before the Voting Record Time and which remain in issue at the Scheme Record Time; and (iii) (if any) issued at or after the Voting Record Time but at or before the Scheme Record Time on terms that the holder thereof shall be bound by this Scheme or in respect of which the original or any subsequent holders thereof are, or shall have agreed in writing to be, bound by the Scheme which remain in issue at the Scheme Record Time and, in each case, other than the Excluded Shares;
“Crimson Tide Shareholders”	means, together, the holders of Crimson Tide Shares and any one of them a Crimson Tide Shareholder;
“Crimson Tide Shares”	means the existing unconditionally allotted or issued and fully paid ordinary shares of £0.10 each in the capital of Crimson Tide and any further shares which are unconditionally allotted or issued before the Scheme becomes Effective and “Crimson Tide Share” means any one of them;
“Crimson Tide Share Plan”	means the Crimson Tide’s Enterprise Management Incentive share option scheme;
“Daily Official List”	means the Daily Official List of the London Stock Exchange;
“Dealing Disclosure”	means an announcement by a party to an offer or a person acting in concert as required by Rule 8 of the Takeover Code;

"Disclosed"	means the information fairly disclosed by or on behalf of Crimson Tide: (i) in the annual report and accounts of Crimson Tide for the financial year ended 31 December 2023 and the interim results for the period 30 June 2024; (ii) in any other public announcement made by Crimson Tide on a Regulatory Information Service before the date of the Announcement; (iii) in the Announcement; (iv) in the information made available to Checkit in the data room established by Crimson Tide (or Crimson Tide's advisers) for the purposes of the Merger on or before 6.30 p.m. on 10 February 2025; or (v) as otherwise fairly disclosed by or on behalf of Crimson Tide to Checkit (or its officers, employees, agents or advisers) before the date of the Announcement
"Disclosure Guidance and Transparency Rules"	means the Disclosure Guidance and Transparency Rules sourcebook issued by the FCA;
"Document"	means this document dated 20 February 2025 containing (amongst other things) the Scheme and the Explanatory Statement;
"Effective"	means in the context of the Merger: (i) if the Merger is implemented by way of the Scheme, the Scheme having become effective pursuant to its terms; or (ii) if the Merger is implemented by way of the Offer, the Offer having been declared or having become unconditional in accordance with the requirements of the Takeover Code;
"Effective Date"	means the date on which the Merger becomes or is declared Effective;
"Exchange Ratio"	means 6 new Checkit Shares for every 1 Crimson Tide Share and, where the terms of the Merger allow, any subsequent adjustment thereof;
"Excluded Shares"	means: (i) any Crimson Tide Shares which are registered in the name of or beneficially owned by, any member of the Checkit Group (or their nominees) immediately prior to the Scheme Record Time; and (ii) any Crimson Tide Shares held in treasury;
"Explanatory Statement"	means the explanatory statement (in compliance with Part 26 of the 2006 Act) relating to the Scheme, as set out in Part 2 (<i>Explanatory Statement</i>) of this Document;
"FCA"	means the UK Financial Conduct Authority or its successor from time to time;
"Forms of Proxy"	means the forms of proxy for use in connection with each of the Court Meeting and the General Meeting;
"FY24 Crimson Tide Profit Estimate"	means the profit estimate included within Crimson Tide's interim results announcement released on 26 September 2024 in respect of the six months to 30 June 2024, as set out in Part 9 of this Document;
"FY25 Checkit Profit Estimate"	means the profit estimates included within Checkit's final results for the year ended 31 January 2024 released on 25 April 2024 and Checkit's interim results announcement for the six months ended 31 July 2024 released on 12 September 2024, as set out in Part 9 of this Document;

“General Meeting”	means the general meeting of Crimson Tide Shareholders to be convened to consider and if thought fit pass, <i>inter alia</i> , the Resolution(s) (with or without amendment) in relation to the Scheme including any adjournments thereof, notice of which is contained in Part 12 (<i>Notice of General Meeting</i>) of this Document;
“group undertaking”	has the meaning given in section 1161 of the 2006 Act;
“Last Accounts Date”	means 31 December 2023, being the date to which the last audited financial statements of Crimson Tide were published
“Last Practicable Announcement Date”	means close of business on 10 February 2025 (being the last practicable date prior to the publication of the Announcement);
“Last Practicable Scheme Date”:	means close of business on 18 February 2025 (being the last practicable date prior to the publication of this Document);
“London Stock Exchange”	means London Stock Exchange plc or its successor;
“Long Stop Date”	means 11.59 p.m. on 30 June 2025, or such later date as may be agreed between Checkit and Crimson Tide and, if required, the Panel and the Court may allow;
“Market Abuse Rules”	means Regulation (EU) 596/2014, as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018, as amended;
“Meetings”	means the Court Meeting and the General Meeting;
“Merger”	means the proposed acquisition by Checkit of the entire issued, and to be issued, share capital of Crimson Tide (other than any Crimson Tide Scheme Shares already held by the Checkit Group) to be implemented by way of the Scheme or, should Checkit so elect (subject to the consent from the Panel), by means of an Offer and, where the context admits, any subsequent revision, variation, extension or renewal thereof;
“MUFG”	means MUFG Corporate Markets (UK) Limited of Central Square, 29 Wellington Street, Leeds, United Kingdom, LS1 4DL;
“Nevilles”	means Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, B62 8HD, the registrars to Crimson Tide;
“New Checkit Shares”	means the new Checkit Shares proposed to be issued credited as fully paid to the Crimson Tide Scheme Shareholders pursuant to the Scheme (and any other Crimson Tide Shareholders whose Crimson Tide Shares are issued after the Scheme becomes Effective);
“Offer”	means, should the Merger be implemented by way of a takeover offer as defined in Chapter 3 of Part 28 of the 2006 Act, the offer to be made by or on behalf of Checkit to acquire the entire issued and to be issued share capital of Crimson Tide and, where the context admits, any subsequent revision, variation, extension or renewal of such offer;
“Offer Period”	means the offer period (as defined in the Takeover Code) relating to Crimson Tide which commenced on 11 February 2025;

“Opening Position Disclosure”	an announcement pursuant to Rule 8 of the Takeover Code containing details of interests or short positions in, or rights to subscribe for, any relevant securities of a party to the Merger;
“Overseas Shareholders”	means Crimson Tide Scheme Shareholders who are resident in, ordinarily resident in, or citizens of, jurisdictions outside the United Kingdom;
“Panel”	means the Panel on Takeovers and Mergers, or its successor from time to time;
“Possible Offer Announcement”	means the announcement published on 4 June 2024 of a possible offer by Checkit for Crimson Tide;
“Registrar of Companies”	means the Registrar of Companies in England and Wales;
“Regulatory Information Service” or “RIS”	means a regulatory information service authorised from time to time by the FCA for the purpose of disseminating regulatory announcements
“Resolution(s)”	means the resolution(s) to be proposed at the General Meeting necessary to implement the Scheme, including, amongst other things, a special resolution proposed in connection with the implementation of the Scheme to approve certain amendments to be made to the articles of association of Crimson Tide and such other matters as may be necessary to implement the Scheme and delisting the Crimson Tide Shares;
“Restricted Jurisdiction”	means any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Merger is sent or made available to Crimson Tide Shareholders in that jurisdiction;
“Sanction Hearing”	means the hearing of the Court to sanction the Scheme and, if such hearing is adjourned, reference to commencement of any such hearing shall mean the commencement of the final adjournment thereof;
“Scheme”	means the proposed scheme of arrangement under Part 26 of the 2006 Act between Crimson Tide and the holders of the Scheme Shares, set out in Part 4 (The Scheme of Arrangement) of this Document, with or subject to any modification, addition or condition approved or imposed by the Court and agreed by Crimson Tide and Checkit;
“Scheme Record Time”	means 6.00 p.m. on the Business Day immediately following the date of the Sanction Hearing, or such later time as Checkit and Crimson Tide may agree;
“SDRT”	means United Kingdom stamp duty reserve tax;
“Significant Interest”	means in relation to an undertaking, a direct or indirect interest of 20 per cent. or more of: (i) the total voting rights conferred by the equity share capital (as defined in section 548 of the Companies Act) of such undertaking or (ii) the relevant partnership interest;
“Singer Capital Markets”	means Singer Capital Markets Advisory LLP, a company incorporated in England and Wales with company number OC364131, whose registered office is at One, Bartholomew Lane, London, EC2N 2AX;

“subsidiary”, “subsidiary undertaking” and “undertaking”	shall be construed in accordance with the 2006 Act;
“Takeover Code”	means the Takeover Code issued by the Panel on Takeovers and Mergers, as amended from time to time;
“Third Party”	means each of a central bank, government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental, administrative, fiscal or investigative body, court, trade agency, association, institution, environmental body, employee representative body, or any other body or person whatsoever in any jurisdiction;
“uncertificated” or “in uncertificated form”	means a share or other security which is recorded on the relevant register as being held in uncertificated form in CREST and title to which may be transferred by means of CREST;
“United Kingdom” or “UK”	means the United Kingdom of Great Britain and Northern Ireland;
“United States” or “US”	means the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia and all other areas subject to its jurisdiction;
“Voting Record Time”	means 6.00 p.m. on the day which is two days (excluding non-working days) prior to the date of the Court Meeting, or, if the Court Meeting is adjourned, 6.00 p.m. on the day which is two days (excluding non-working days) before the date of such adjourned meeting;
“Wider Checkit Group”	means Checkit and its subsidiary undertakings and associated undertakings and any other body corporate partnership, joint venture or person in which Checkit and all such undertakings (aggregating their interests) have a Significant Interest (other than any member of the Wider Crimson Tide Group); and
“Wider Crimson Tide Group”	means Crimson Tide and its subsidiaries, subsidiary undertakings, associated undertakings and any other body corporate, partnership, joint venture or person in which Crimson Tide and all such undertakings (aggregating their interests) have a Significant Interest.

In this Document:

- (a) all references to times are to London time, unless otherwise stated;
- (b) where the context so admits or requires, the plural includes the singular and vice versa; and
- (c) any reference to any provision of any legislation shall include any amendment, modification, re-enactment or extension thereof.

PART 11

NOTICE OF COURT MEETING

IN THE HIGH COURT OF JUSTICE
BUSINESS AND PROPERTY COURTS
OF ENGLAND AND WALES
COMPANIES COURT (ChD)

CR-2025-000131

IN THE MATTER OF Crimson Tide PLC

AND

IN THE MATTER OF THE COMPANIES ACT 2006

NOTICE IS HEREBY GIVEN that, by an order dated 19 February 2025 made in the above matters, the High Court of Justice in England and Wales (the “**Court**”) has granted permission for a meeting (the “**Court Meeting**”) to be convened of the holders of Crimson Tide Scheme Shares as at the Voting Record Time (each, as defined in the Scheme (itself as defined below)) for the purpose of considering and, if thought fit, approving (with or without modification) a scheme of arrangement proposed to be made pursuant to Part 26 of the Companies Act 2006 between Crimson Tide plc (“Crimson Tide” or the “**Company**”) and the holders of Crimson Tide Scheme Shares (the “**Scheme**”) and that such meeting will be held at the offices of Shoosmiths LLP, 1 Bow Churchyard, London, EC4M 9DQ on 19 March 2025 at 10.00 a.m.

A copy of the said Scheme and a copy of the explanatory statement required to be published pursuant to section 897 of the Companies Act 2006 are incorporated in this Document of which this notice forms part.

Unless the context requires otherwise, any capitalised term used but not defined in this notice shall have the meaning given to such term in this Document in which this notice forms a part.

Voting on the resolution to approve the Scheme will be by way of poll, which shall be conducted as the Chair of the Court Meeting may determine.

Right to appoint a proxy: procedure for appointment

Voting at the Court Meeting will be by poll. Holders of Crimson Tide Scheme Shares may vote in person at the Court Meeting or they may appoint another person or persons, whether or not a member of the Company, as their proxy or proxies to exercise all or any of their rights to attend, speak and vote in their place.

Crimson Tide Scheme Shareholders are strongly encouraged to submit proxy appointments and instructions for the Court Meeting as soon as possible, using any of the methods (by post, by hand, online, or through CREST) set out below. Crimson Tide Scheme Shareholders are also strongly encouraged to appoint “the Chair of the Court Meeting” as their proxy. Any other person appointed as proxy will be able to attend, speak and vote at the Court Meeting.

A BLUE Form of Proxy for use in connection with the Court Meeting is enclosed with this notice. Crimson Tide Scheme Shareholders entitled to attend and vote at the Court Meeting who hold their shares through CREST may appoint a proxy using the CREST electronic proxy appointment service.

The completion and return of the BLUE Form of Proxy (by post or by hand), or transmission of a proxy appointment or voting instruction through CREST or by any other procedure described in this Document, will not prevent you from attending, speaking and voting at the Court Meeting, or any adjournment thereof, if you are entitled to and wish to do so.

Sending BLUE Forms of Proxy by post

You should complete, sign and return a BLUE Form of Proxy (together with any power of attorney or other authority, if any, under which it is signed, or a duly certified copy thereof) by post or (during normal business

hours only) by hand to the Company's registrar, Neville Registrars Limited at Neville House, Steelpark Road, Halesowen, B62 8HD to be received not later than 10.00 a.m. on 17 March 2025, or in the case of any adjournment, not later than 48 hours (excluding any part of a day that is not a working day) before the time appointed for the adjourned Court Meeting. For your convenience, a pre-paid envelope (for use in the United Kingdom only) has been provided which can be used with respect to the BLUE Form of Proxy. However, if the BLUE Form of Proxy for the Court Meeting is not so returned, it may be: (i) scanned and emailed to Neville Registrars Limited at the following email address: info@nevilleregistrars.co.uk; or (ii) presented in person to the Chair of the Court Meeting or a representative of Neville Registrars Limited who will be present at the Court Meeting, any time prior to the commencement of the Court Meeting (or any adjournment thereof), and it will still be valid.

As a member of the Company, you are entitled to appoint one or more proxies to exercise all or any of your rights to attend, speak and vote on your behalf at the Court Meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares. A space has been included in the BLUE Form of Proxy to allow holders of Crimson Tide Scheme Shares to specify the number of shares in respect of which that proxy is to be appointed. Crimson Tide Scheme Shareholders who return the BLUE Form of Proxy duly executed but leave this space blank shall be deemed to have appointed the proxy in respect of all their Crimson Tide Scheme Shares. A proxy need not be a member of the Company, but they must attend the Court Meeting to represent you. If you wish to appoint more than one proxy, please contact the Company's registrar, Neville Registrars Limited on +44 (0)121 585 1131 (if calling from outside of the United Kingdom, please ensure the country code is used) or photocopy the BLUE Form of Proxy as required.

Appointment of proxies via www.sharegateway.co.uk

As an alternative to returning a hard copy Form of Proxy, shareholders may submit their proxy electronically at www.sharegateway.co.uk by using their Personal Proxy Registration Code as shown on their Form of Proxy. For an electronic proxy appointment to be valid, the appointment must be received by Neville Registrars Limited not later than 10.00 a.m. on 17 March 2025, or in the case of any adjournment, not later than 48 hours (excluding any part of a day that is not a working day) before the time appointed for the adjourned Court Meeting.

Electronic appointment of proxies through CREST

Members who hold their shares in uncertificated form through CREST who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Court Meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual (which can be viewed at www.euroclear.com). CREST personal members or other CREST sponsored members, and those CREST members who have appointed any voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST Proxy Instruction must be properly authenticated in accordance with the specifications of Euroclear UK & International Limited ("**Euroclear**") and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it relates to the appointment of a proxy or to 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 Neville Registrars Limited (ID: 7RA11) by 10.00 a.m. on 17 March 2025, or in the case of any adjournment, not later than 48 hours (excluding any part of a day that is not a working day) before the time appointed for the adjourned Court Meeting. 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 Neville Registrars Limited is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the CREST Regulations.

CREST members and, where applicable, their CREST sponsors or voting service provider(s), should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed any voting service provider(s), to procure that their 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. CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

Completion and return of a Form of Proxy, or the appointment of a proxy electronically using CREST (or any other procedure described in this Document of which this notice forms part), will not preclude a holder of Crimson Tide Scheme Shares from attending, speaking and voting in person at the Court Meeting, or any adjournment thereof, if such holder of Crimson Tide Scheme Shares wishes and is entitled to do so.

Voting Record Time

Only those members registered in the register of members of the Company as at 6.00 p.m. on 14 March 2025 or, in the event that the Court Meeting is adjourned, in the register of members at 6.00 p.m. on the day which is two days (excluding non-working days) before the day of any adjourned meeting shall be entitled to attend or vote in respect of the number of shares registered in their name at the relevant time. Changes to entries in the relevant register of members after 6.00 p.m. on 14 March 2025 or, in the event that the Court Meeting is adjourned, after 6.00 p.m. on the day which is two days (excluding non-working days) before the day of any adjourned meeting shall be disregarded in determining the rights of any person to attend or vote at the Court Meeting.

Joint Holders

In the case of joint holders of Crimson Tide Scheme Shares, any one such joint holder may tender a vote (whether in person or by proxy) at the Court Meeting. However, the vote of the senior who tenders a vote whether in person or by proxy will be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority will be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.

Corporate Representatives

As an alternative to appointing a proxy, any holder of Crimson Tide Scheme Shares which is a corporation may appoint one or more corporate representatives who may exercise on its behalf all its powers as a member, provided that if two or more corporate representatives purport to vote in respect of the same shares, if they purport to exercise the power to vote in the same way as each other, the Chair will treat the power to vote as having been exercised in that way, and in other cases the Chair will treat the power to vote as not having been exercised.

Only one corporate representative is to be counted in determining whether under section 899(1) of the Companies Act 2006 a majority in number of the Crimson Tide Scheme Shareholders approved the Scheme. The Chair of the Court Meeting may require a corporate representative to produce to the Company's registrar, Neville Registrars Limited, their written authority to attend and vote at the Court Meeting at any time before the start of the Court Meeting. The representative shall not be entitled to exercise the powers conferred on them by the Crimson Tide Scheme Shareholder until any such demand has been satisfied.

Nominated Persons

Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "**Nominated Person**") does not, in that capacity, have a right to appoint a proxy, such right only being exercisable by members of the Company. However, Nominated Persons may, under an agreement between him/her and the member by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Court Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the member as to the exercise of voting rights.

By the said order, the Court has appointed Jacqueline Daniell or, failing her, any other director of Crimson Tide to act as Chair of the Court Meeting and has directed the Chair to report the result of the Court Meeting to the Court.

The said Scheme will be subject to the subsequent sanction of the Court.

DATED: 20 February 2025

Shoosmiths LLP
1 Bow Churchyard
London, EC4M 9DQ

Solicitors for the Company

PART 12

NOTICE OF GENERAL MEETING

Crimson Tide PLC

(incorporated in England and Wales with registered number 00113845)

NOTICE IS HEREBY GIVEN that a general meeting of Crimson Tide plc (the “**Company**”) will be held at the offices of Shoosmiths LLP, 1 Bow Churchyard, London, EC4M 9DQ on 19 March 2025 at 10.30 a.m. (or as soon thereafter as the Court Meeting (as defined in Part 12 (*Definitions*) of this Document of which this notice (this “**Notice**”) forms part) is concluded or adjourned) (the “**General Meeting**”) for the purpose of considering and, if thought fit, passing the following resolution which will be proposed as a special resolution.

Unless the context requires otherwise, any capitalised term used but not otherwise defined in this Notice shall have the meaning given to such term in this Document of which this Notice forms part.

SPECIAL RESOLUTION

THAT:

- A. For the purpose of giving effect to the scheme of arrangement dated 20 February 2025 (as amended or supplemented) (the “**Scheme**”) between the Company and the holders of the Scheme Shares (as defined in said Scheme), a print of which has been produced to this meeting and, for the purposes of identification, signed by the chair of this meeting, in its original form or with or subject to any modification, addition or condition agreed between the Company and Checkit and approved or imposed by the Court, the directors of the Company (or a duly authorised committee thereof) be authorised to take all such action as they may consider necessary or appropriate for carrying the Scheme into effect.
- B. For the purpose of giving effect to the Scheme, with effect from the passing of this resolution, the articles of association of the Company be and are amended by the adoption and inclusion of the following new Article 157 after Article 156:

“157 Scheme of Arrangement

- 157.1 In this Article 157, the “**Scheme**” means the scheme of arrangement dated 20 February 2025 (as amended or supplemented), between the Company and the holders of the Crimson Tide Scheme Shares (as defined in the Scheme) under Part 26 of the Companies Act 2006 and as approved by the holders of the Scheme Shares at the meeting convened by the Court (as defined in the Scheme) and as may be modified or amended in accordance with its terms or imposed by the Court and agreed by the Company and Checkit (“**Purchaser**”), and (save as otherwise defined in this Article 157), expressions defined in the Scheme shall have the same meanings in this Article 157.
- 157.2 Notwithstanding either any other provision of these Articles or the terms of any resolution whether ordinary or special passed by the Company in general meeting, if the Company issues or transfers from treasury any ordinary shares (other than to the Purchaser, any subsidiary of the Purchaser, any parent undertaking of the Purchaser or any subsidiary of such parent undertaking or any nominee(s) of any of them) on or after the adoption of this Article 157 and at or before the Scheme Record Time (as defined in the Scheme), such ordinary shares shall be issued or transferred from treasury subject to the terms of the Scheme and shall be Crimson Tide Scheme Shares for the purposes of the Scheme and the original or any subsequent holder of such ordinary shares shall be bound by the Scheme accordingly.
- 157.3 Notwithstanding any other provision of these Articles, subject to the Scheme becoming Effective, if any shares are issued, transferred out of treasury or transferred to any person (other than under the Scheme or to the Purchaser, to any subsidiary or subsidiary undertaking or associated undertaking of the Purchaser or any nominee(s) of any of them) (a “**New Member**”) at or after the Scheme Record Time (as defined in the Scheme) (each a “**Transfer Share**”), such Transfer Shares will be issued or

transferred on terms that they shall (on the Effective Date or, if later, on the issue or transfer (but subject to the terms of Article 157.4 below) (the “**Transfer Effective Time**”)) be immediately transferred to the Purchaser (or such person as the Purchaser may direct) who shall be obliged to acquire each Transfer Share in consideration for and conditional on the allotment and issue or transfer to the New Member of such number of New Checkit Shares (and the payment in cash in respect of fractional entitlements, as described in Article 157.6) that the New Member would have been entitled to under the Scheme for those Transfer Shares had they been Scheme Shares (the “**Consideration Shares**”), provided that if, in respect of any New Member who is resident, located or has a registered address in a jurisdiction outside the United Kingdom or whom the Company reasonably believes to be a citizen, resident or national of a jurisdiction outside the United Kingdom, the Purchaser is advised that the law of that country: (i) precludes the allotment, issue and/or delivery to that New Member of the Consideration Shares; or (ii) precludes the matters referred to in (i) except after compliance by the Company or the Purchaser (as the case may be) with any governmental or other consent or any registration, filing or other formality with which the Company and/or the Purchaser is unable to comply or compliance with which the Company and/or the Purchaser (as the case may be) regards as unduly onerous, then the Purchaser may, in its sole discretion, determine that either: (A) such Consideration Shares shall not be allotted, issued and delivered to such New Member, but shall instead be allotted, issued and delivered to a person appointed by the Purchaser for such New Member on terms that such person shall, as soon as practicable following the allotment and issue of such Consideration Shares, sell the Consideration Shares so issued; or (B) determine that such Consideration Shares shall not be allotted, issued and delivered to such New Member, but instead a cash amount equal to the value of the Consideration Shares shall be paid to the New Member as soon as practicable. In the event that the Consideration Shares are to be sold pursuant to (A), the Company shall appoint a person to act, and who shall be authorised, as attorney or agent for the New Member pursuant to this Article and such person shall be authorised on behalf of such New Member to execute and deliver as transferor a form of transfer or other instrument or instruction of transfer on behalf of the New Member and to give such instructions and to do all other things which they may consider necessary or expedient in connection with such sale. The net proceeds of such sale (after deduction of all expenses and commissions, together with any value added tax thereon, incurred in connection with the sale, including any tax or foreign exchange conversion fees payable on the proceeds of sale) shall be paid to the persons entitled thereto in due proportion as soon as practicable following such sale, save that any fractional cash entitlements shall be rounded down to the nearest penny.

- 157.4 The Consideration Shares allotted and issued or transferred to a New Member pursuant to this Article 157 shall be credited as fully paid and shall rank *pari passu* in all respects with the ordinary shares in issue at that time (other than as regards any dividends or other distributions payable by reference to a record date preceding the date of allotment or transfer).
- 157.5 On any reorganisation of, or material alteration to, the share capital of the Company (including, without limitation, any subdivision and/or consolidation) effected after the Effective Date (as defined in the Scheme), the number of Consideration Shares to be allotted and issued or transferred to a New Member per Transfer Shares to be paid under Article 157.3 shall be adjusted by the Company’s directors in such manner as the auditors of the Company or an investment bank selected by the Company may determine to be appropriate to reflect such reorganisation or alteration. References in this Article 157 to shares (including Scheme Shares and Transfer Shares) shall, following such adjustment, be construed accordingly.
- 157.6 No fractions of a Consideration Share will be allotted, issued or transferred to any New Member pursuant to this Article 157 and entitlements of New Members to Consideration Shares will be rounded down to the nearest whole number of Consideration Shares. All fractional entitlements to Consideration Shares will be aggregated and sold in the market as soon as practicable after the Transfer Effective Time. The net proceeds of such sale (after deduction of all expenses and commissions incurred in connection with the sale) will be distributed by the Purchaser in due proportions to New Members who would otherwise have been entitled to such fractions, save that individual entitlements to amounts of less than £5 will be retained for the benefit of the Combined Group.
- 157.7 To give effect to any transfer required by Article 157.3, the Company may appoint any person as attorney and/or agent for the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) to transfer the Transfer Shares to the Purchaser (or such

other person as the Purchaser directs) and do all such other things and execute and deliver all such documents or deeds as may in the opinion of such attorney or agent be necessary or desirable to vest the Transfer Shares in the Purchaser (or such other person as the Purchaser otherwise directs) and pending such vesting to exercise all such rights attaching to the Transfer Shares as the Purchaser may direct. If an attorney or agent is so appointed, the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) shall not thereafter (except to the extent that the attorney or agent fails to act in accordance with the directions of the Purchaser) be entitled to exercise any rights attaching to the Transfer Shares unless so agreed in writing by the Purchaser. The attorney or agent shall be empowered to execute and deliver as transferor a form or instrument of transfer or instructions of transfer on behalf of the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) in favour of the Purchaser (or such other person as the Purchaser otherwise directs) and the Company may give a good receipt for the consideration of the Transfer Shares and may register the Purchaser (or such other person as the Purchaser otherwise directs) as holder thereof and issue to it certificate(s) for the same. The Company shall not be obliged to issue a certificate to the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) for the Transfer Shares.

157.8 If the Scheme shall not have become Effective by the applicable date referred to in (or otherwise set in accordance with) clause 6.2 of the Scheme (or such later date, if any, as the Purchaser and the Company may agree and the Court and the Panel on Takeovers and Mergers may allow, if such consent is required), this Article 157 shall be of no effect.

157.9 Notwithstanding any other provision of these Articles, neither the Company nor the Board shall register the transfer of any Scheme Shares effected between the Scheme Record Time and the Effective Date of the Scheme other than to the Purchaser and/or its nominee(s) pursuant to the Scheme."

C. Subject to and conditional on the Scheme becoming Effective (as such term is defined in the Scheme), pursuant to the provisions of section 97 of the Act, the Company be re-registered as a private limited company under the name of "Crimson Tide Limited" with effect from the date it is registered at Companies House.

Registered Office:

Brockbourne House, 77 Mount Ephraim,
Tunbridge Wells, England, TN4 8BS

By order of the Board

Peter Maree Hurter

Secretary

Registered Number: 00113845

Dated 20 February 2025

Notes

The following notes explain your general rights as a member of the Company and your rights to attend and vote at the General Meeting or to appoint someone else to vote on your behalf.

Entitlement to attend, speak and vote

1. In accordance with Regulation 41 of the CREST Regulations, only those members entered on the relevant register of members of the Company at 6.00 p.m. on 17 March 2025 or, in the event that the meeting is adjourned, in the register of members at 6.00 p.m. on the day which is two days (excluding non-working days) before the date of any adjourned meeting, shall be entitled to attend, speak and vote at the meeting in respect of the number of shares registered in their name at that time. Changes to entries on the relevant register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting or any adjourned meeting.

Appointment of proxies

2. A member of the Company entitled to attend, speak and vote at the meeting is also entitled to appoint one or more proxies to exercise all or any of their rights to attend, speak and vote on their behalf at the meeting. Completion and return of a WHITE Form of Proxy or any CREST Proxy Instruction will not preclude a member from attending the meeting and voting there in person.

Sending Forms of Proxy by post or by hand

3. A WHITE Form of Proxy which may be used to make such appointment and give proxy instructions is enclosed with this Notice. Whether or not you intend to attend the General Meeting, you are strongly encouraged to complete and return the WHITE Form of Proxy. Please indicate how you wish your vote to be cast by inserting an "X" in the appropriate box. Unless otherwise instructed, the person appointed as a proxy will exercise his/her discretion as to how he/she votes or whether he/she abstains from voting on the resolution and on any other business, which may come before the General Meeting. In the event that you wish to appoint a person other than the chair of the General Meeting as your proxy, delete the reference to the chair and insert the name and address of the person you wish to appoint in the space provided. A proxy need not be a member of the Company. Instructions for use are shown on the WHITE Form of Proxy.
4. To be effective, the WHITE Form of Proxy (together with the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority) must be deposited at the Company's registrar, Neville Registrars Limited at Neville House, Steelpark Road, Halesowen, B62 8HD as soon as possible, and in any event so as to be received by not later than 10.30 a.m. on 17 March 2025 or, if the General Meeting is adjourned, by not later than 48 hours (excluding any part of a day that is not a working day) before the time of the adjourned meeting. Forms of Proxy returned by fax will not be accepted. For your convenience, a pre-paid envelope (for use in the United Kingdom only) has been provided which can be used with respect to the WHITE Form of Proxy.

Appointment of proxies via www.sharegateway.co.uk

5. As an alternative to returning a hard copy Form of Proxy, shareholders may submit their proxy electronically at www.sharegateway.co.uk by using their Personal Proxy Registration Code as shown on their Form of Proxy. For an electronic proxy appointment to be valid, the appointment must be received by Neville Registrars Limited not later than 10.30 a.m. on 17 March 2025, or in the case of any adjournment, not later than 48 hours (excluding any part of a day that is not a working day) before the time appointed for the adjourned General Meeting.

Electronic appointment of proxies through CREST

6. Members who hold their shares in the Company through CREST ("**CREST members**") and who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the purpose of this General Meeting and any adjournment(s) thereof 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 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.
7. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST Proxy Instruction must be properly authenticated in accordance with the specifications of Euroclear UK & International Limited ("**Euroclear**"), and must contain the information required for such instruction, as described in the CREST Manual. 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 registrar Neville Registrars Limited (Participant ID: 7RA11), not later than 48 hours (excluding any part of a day that is not a working day) before the time appointed for the General Meeting or any adjourned meeting. 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 registrar 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.
8. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear 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 personal member, or sponsored member, or has appointed a voting service provider, to procure that their 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. For further information on the logistics of submitting messages in CREST, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

9. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the CREST Regulations.

Appointment of multiple proxies

10. A member entitled to attend, speak and vote at the General Meeting or any adjournment(s) thereof may appoint more than one proxy, who may be the same person, in relation to the General Meeting or any adjournment(s) thereof provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member. If in such case a member wishes to appoint more than one proxy, they should photocopy the WHITE Form of Proxy and indicate in the relevant box the number of shares in relation to which the member authorises them to act as the member's proxy. The member should indicate by marking the relevant box on the proxy card if more than one proxy is being appointed. A failure to specify the number of shares each proxy appointment relates to, or specifying a number of shares in excess of those held by the member on the date referred to in note 1 above, will result in the proxy appointments being invalid.

Corporate representative

11. Any corporation which is a member of the Company can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member, provided that, if more than one, they do not do so in relation to the same shares.

Joint holders

12. In the case of joint holders of a share, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company.

Voting

13. Voting on the resolution at this General Meeting will be conducted on a poll rather than a show of hands.
14. The "Vote Withheld" option is provided to enable you to abstain on the specified resolution. However, it should be noted that a "Vote Withheld" is not a vote in law and will not be counted in the calculation of the proportion of votes "For" and "Against" the specified resolution.

Right to ask questions

15. Any member attending the General Meeting has a right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the General Meeting but no such answer need be given if: (a) to do so would interfere unduly with the preparation for the General Meeting or involve the disclosure of confidential information; (b) the answer has already been given on a website in the form of an answer to a question; or (c) it is undesirable in the interests of the Company or the good order of the General Meeting that the question be answered.

Information rights

16. Any person who is not a member of the Company but has been nominated under section 146 of the Companies Act 2006 by a member of the Company (the "**relevant member**") to enjoy information rights, (the "**nominated person**") does not have a right to appoint any proxies. A nominated person may have a right under an agreement with the relevant member to be appointed or to have somebody

else appointed as a proxy for the meeting. If a nominated person does not have such a right or has such a right and does not wish to exercise it, they may have a right under an agreement with the relevant member to give instructions as to the exercise of voting rights.

Shareholder helpline

17. If you have any questions about this Document, the Court Meeting, the General Meeting or the Merger or are in any doubt as to how to complete the Form of Proxy, please call Neville Registrars Limited between 9.00 a.m. and 5.00 p.m. Monday to Friday (except public holidays in England and Wales) on +44 (0)121 585 113 (if calling from outside of the United Kingdom, please ensure the country code is used). Calls from outside the United Kingdom will be charged at applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. Please note that Neville Registrars Limited cannot provide advice on the merits of the Merger or give any financial, legal or tax advice. Proxy voting queries may also be directed to the Sodali & Co. shareholder helpline on +44 (0) 20 3984 0180.

Miscellaneous

18. A copy of this Notice, and other information required by section 311A of the Companies Act 2006, can be found at www.crimsontide.co.uk/offer.
19. Copies of the Company's existing articles of association and of the new articles of association as proposed to be adopted in place thereof pursuant to the special resolution set out in this Notice are available for inspection at the offices of the Crimson Tide during normal business hours on any weekday (excluding Saturdays, Sundays and public holidays), until the opening of business on the day on which the General Meeting is held, and will also be available for inspection at the place of the General Meeting for at least 15 minutes prior to and during the General Meeting.

Issued share capital and voting rights

20. As at 18 February 2025 (being the Last Practicable Scheme Date prior to the publication of this Notice), the Company's share capital consisted of 6,574,863 ordinary shares of £0.10 each, carrying one vote each. Therefore, the total voting rights in the Company as at 18 February 2025 are 6,574,863 ordinary shares of £0.10 each, carrying one vote each.

Communications

21. You may not use any electronic address provided either in this Notice or in any related documents (including the enclosed Forms of Proxy) to communicate with the Company for any purposes other than those expressly stated.