

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR REGULATIONS OF THAT JURISDICTION.

THIS ANNOUNCEMENT IS NOT A PROSPECTUS OR PROSPECTUS EQUIVALENT DOCUMENT AND BRAND ARCHITEKTS SHAREHOLDERS SHOULD NOT MAKE ANY INVESTMENT DECISION IN RELATION TO THE NEW WARPAIN SHARES EXCEPT ON THE BASIS OF INFORMATION IN THE SCHEME DOCUMENT WHICH IS PROPOSED TO BE PUBLISHED IN DUE COURSE.

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION.

FOR IMMEDIATE RELEASE

5 December 2024

## RECOMMENDED CASH ACQUISITION

of

Brand Architekts Group plc

by

Warpaint London plc

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

### Summary

- The boards of Warpaint London plc ("**Warpaint**") and Brand Architekts Group plc ("**Brand Architekts**") are pleased to announce that they have reached agreement on the terms and conditions of a recommended cash offer to be made by Warpaint for the entire issued, and to be issued, ordinary share capital of Brand Architekts (the "**Acquisition**"). It is intended that the Acquisition will be implemented by way of a court-sanctioned scheme of arrangement under Part 26 of the 2006 Act.
- Under the terms of the Acquisition, each Brand Architekts Shareholder will be entitled to receive:  

**for each Brand Architekts Share: 48 pence in cash (the "Cash Offer")**
- The Acquisition values Brand Architekts' entire issued, and to be issued, ordinary share capital at approximately £13.88 million on a fully diluted basis.
- The price of the Cash Offer per Brand Architekts Share represents a premium of approximately:
  - 100 per cent. to the Closing Price of 24 pence per Brand Architekts Share on 4 December 2024 (being the last Business Day before the date of this announcement);

- 85.42 per cent. to the average price of 25.89 pence per Brand Architekts Share for the 3-month period ended 4 December 2024 (being the last Business Day before the date of this announcement); and
  - 95.78 per cent. to the average price of 24.52 pence per Brand Architekts Share for the 12-month period ended 4 December 2024 (being the last Business Day before the date of this announcement).
- As an alternative to the Cash Offer, Eligible Brand Architekts Shareholders may elect to receive 0.0916 New Warpaint Shares ("**Consideration Shares**") for each Brand Architekts Share they hold (the "**Alternative Share Offer**") instead of the Cash Offer to which they would otherwise be entitled. The New Warpaint Shares will be issued credited as fully paid and will rank pari passu in all respects with the Warpaint Shares in issue at the time the New Warpaint Shares are issued pursuant to the Acquisition.
  - Based on Warpaint's share price of 524 pence on 4 December 2024 (being the last Business Day before the date of this announcement), 0.0916 of a New Warpaint Share (issued under the Alternative Share Offer) is equivalent to 48 pence per Brand Architekts Share.
  - Accordingly, and on the basis of the above, the price of the Cash Offer and the Alternative Share Offer (the "**Offer Price**") values each Brand Architekts Share at 48 pence as at 4 December 2024 (being the last Business Day before the date of this announcement).
  - Eligible Brand Architekts Shareholders will only be able to elect for the Alternative Share Offer in relation to their entire holding of Brand Architekts Shares and not part only. Such Consideration Shares will be issued on the terms described in paragraph 3 below of this announcement. Eligible Brand Architekts Shareholders who do not positively and validly elect to receive the Alternative Share Offer, as well as Restricted Brand Architekts Shareholders, will automatically receive the Cash Offer.
  - Warpaint has received irrevocable undertakings to vote in favour of the resolutions relating to the Scheme and the Acquisition at the Meetings (or in the event that the Acquisition is implemented by a Takeover Offer, to accept such Takeover Offer), in respect of, in aggregate, 8,760,470 Brand Architekts Shares (representing approximately 31.35 per cent. of the existing issued ordinary share capital of Brand Architekts as at 4 December 2024, being the last Business Day before the date of this announcement).
  - If, on or after the date of this announcement and prior to the Acquisition becoming Effective, 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 Brand Architekts Shares, Warpaint reserves the right to reduce the consideration payable pursuant to the Cash Offer (and, as the case may be, the exchange ratio in relation to the Alternative Share Offer) by an amount up to the aggregate amount of such dividend and/or distribution and/or other return of capital or value. In such circumstances, Brand Architekts Shareholders would be entitled to receive and retain any such dividend, distribution and/or other return of capital or value.

## **Background to and reasons for the Acquisition**

- Warpaint has a successful strategy of focusing on growing profitable sales of its branded products globally, whilst increasing overall margins. This has been achieved through increasing sales with Warpaint's existing retail customers and winning new major retailers. The Warpaint Board believes that there continues to be significant growth opportunities for Warpaint and accordingly, the Warpaint Group remains focused on continuing to execute on this organic growth strategy.

- Having followed Brand Architekts for some time, as another company admitted to trading on AIM operating in a similar sector, the Warpaint Board believes that the Acquisition at this time is an exciting and relatively low risk opportunity to further bolster Warpaint's growth opportunities.
- Warpaint has a strong track record of successfully acquiring, integrating and growing businesses with complementary brands, offerings and customers, with the acquisitions of Retra Holdings Limited ("**Retra**") in 2017 and Marvin Leeds Marketing Services, Inc. in 2018. Both acquisitions were earnings enhancing and have contributed to the strong overall growth of the Warpaint business. In particular, revenues and profits before tax from Retra grew by 55 per cent. and 123 per cent. respectively between the years ended 31 December 2017 and 31 December 2023.
- The Warpaint Board considers that Brand Architekts provides a similar opportunity as its previous acquisitions, and that the Acquisition will enhance Brand Architekts' proposition and profitability as part of a larger, successful health, beauty and personal care business.
- Warpaint believes that Brand Architekts has a number of high-quality health, beauty and personal care brands with a well-established customer base which complements Warpaint's existing customer relationships and its brand portfolio. Warpaint believes the Acquisition will strengthen the Enlarged Warpaint Group's customer proposition and facilitate cross-selling opportunities by leveraging a wider brand offering and broader customer relationships.
- In addition, while Brand Architekts has grown its gross margins over recent financial periods, it carries a high overhead cost base relative to the level of gross profit generated by the business, in part as a result of being a small company carrying the corporate and governance costs associated with a public quotation. The Warpaint Board believes that the level of overheads relative to the scale of the Brand Architekts Group is inefficient and has impacted profitability. Warpaint believes that the Acquisition will provide the opportunity to generate cost synergies and reduce overheads to a more efficient level which should increase Brand Architekts' profitability. Accordingly, the Warpaint Board expects the Acquisition to be earnings enhancing to Warpaint in the year ending 31 December 2025.

## **Recommendation**

- The Brand Architekts Directors, who have been so advised by Singer Capital Markets as to the financial terms of the Cash Offer and Alternative Share Offer, consider the terms of each of the Cash Offer and Alternative Share Offer to be fair and reasonable. In providing its advice to the Brand Architekts Directors, Singer Capital Markets has taken into account the commercial assessments of the Brand Architekts Directors. Singer Capital Markets is providing independent financial advice to the Brand Architekts Directors for the purposes of Rule 3 of the Takeover Code.
- Accordingly, the Brand Architekts Directors intend to recommend unanimously that Brand Architekts Shareholders vote in favour of the Scheme at the Court Meeting and the Resolution to be proposed at the General Meeting (or, in the event that the Acquisition is implemented by way of a Takeover Offer, to accept or instruct the acceptance of the Takeover Offer), as the Brand Architekts Directors who hold Brand Architekts Shares have irrevocably undertaken to do in respect of their own beneficial holdings totalling 1,910,213 Brand Architekts Shares (representing approximately 6.84 per cent. of the existing issued ordinary share capital of Brand Architekts as at 4 December 2024, being the last Business Day before the date of this announcement). Further details of these undertakings are set out in Appendix 3 to this announcement.
- In deciding which of the Cash Offer and the Alternative Share Offer to elect for, Brand Architekts Shareholders should consider their individual tax and financial situation. Brand

Architekts Shareholders should consider whether the Alternative Share Offer is suitable in light of their own personal circumstances and investment objectives, and are therefore strongly recommended to seek their own independent financial, tax and legal advice and to read in full this announcement (including the key factors set out in the Alternative Share Offer paragraph below) and, when published, the Scheme Document, before deciding whether to elect to receive the Alternative Share Offer. The Brand Architekts Board will notify their intentions in respect of their own beneficial holdings and their elections for either the Cash Offer or Alternative Share Offer within the Scheme Document.

### **Background to and reasons for the recommendation**

- In August 2019, following the disposal of Brand Architekts' manufacturing business and associated assets, Brand Architekts focused its strategy exclusively on its owned brands, investing in organic growth and exploring selective acquisitions to enhance profitability and scale. In line with this, and alongside the launch of new project lines, Brand Architekts acquired InnovaDerma plc in May 2022 to offer a wider range of higher-margin products to its commercial customer base and increase the Brand Architekts Group's international expansion effort.
- Whilst significant progress has been made to deliver these strategic priorities, trading conditions over the period have been challenging. Supply and cost headwinds through the pandemic have been coupled with demand challenges from the cost-of-living crisis, particularly in self-tan. These factors have led to recent successive years of underlying operating losses. Accordingly, Brand Architekts has prioritised reducing losses, margin improvement and returning the business to profitability.
- The immediate priorities for Brand Architekts are to drive brand awareness of Skinny Tan and Super Facialist, with an expected year-on-year increase in digital awareness and acquisition campaigns, with more investment in TikTok and influencers. Historically Brand Architekts has been successful in securing new distribution, but maintaining listings requires necessary advertising and promotional spend to generate the appropriate return on sales.
- The Brand Architekts Directors continue to be confident in the Brand Architekts Group's strategic and financial aims, and in building the required foundations to enable the Brand Architekts Group to return to profitability and achieve its medium and long-term goals. However, the Brand Architekts Directors are mindful that trading conditions remain challenging and that the acceleration of the strategic aims of the Brand Architekts Group requires investment to further drive brand awareness and there are therefore risks to the delivery of the strategy in the short to medium term.
- The Brand Architekts Board recognises that the market for Brand Architekts Shares is relatively illiquid, making it challenging for Brand Architekts Shareholders to monetise their holdings should they so wish. The Acquisition provides Brand Architekts Shareholders the opportunity for an immediate, certain and attractive realisation of cash.
- The Brand Architekts Board believes that the Acquisition will provide Brand Architekts Shareholders with an opportunity to receive an immediate and certain value per Brand Architekts Share, in cash, at a significant premium (of 100 per cent. to the closing price of a Brand Architekts Share on 4 December 2024, being the last Business Day before the date of this announcement) that may not otherwise be available and would, in any event, be subject to the successful execution of Brand Architekts' strategy and the realisation of its longer-term growth prospects.
- The Brand Architekts Board notes that Peter Gyllenhammar, Brand Architekts' largest shareholder with an interest in approximately 24.51 per cent. of the existing issued ordinary share capital of Brand Architekts as at 4 December 2024, being the last Business Day

before the date of this announcement), is supportive of the Acquisition and has given an irrevocable undertaking to Warpaint to vote in favour of the Scheme.

- After careful consideration of all relevant factors, the Brand Architekts Directors have concluded that the terms of each of the Cash Offer and Alternative Share Offer are in the best interests of Brand Architekts and the Brand Architekts Shareholders as a whole. As such, the Brand Architekts Directors unanimously intend to recommend that Brand Architekts Shareholders vote in favour of the Acquisition.

### **Irrevocable undertakings**

- In total, including irrevocable undertakings from the Brand Architekts Directors, Warpaint has received irrevocable undertakings to vote in favour of the resolutions relating to the Scheme and the Acquisition at the Meetings (or in the event that the Acquisition is implemented by a Takeover Offer, to accept, or procure or (as the case may be) instruct, acceptance of such Takeover Offer), in respect of, in aggregate, 8,760,470 Brand Architekts Shares (representing approximately 31.35 per cent. of the existing issued ordinary share capital of Brand Architekts as at 4 December 2024, being the last Business Day before the date of this announcement).
- These comprise of the following irrevocable undertakings:
  - Warpaint has received irrevocable undertakings from the Brand Architekts Directors who hold Brand Architekts Shares to vote (or, where applicable, instruct voting) in favour of the resolutions relating to the Scheme and the Acquisition at the Meetings (or in the event that the Acquisition is implemented by a Takeover Offer, to accept or instruct the acceptance of such Takeover Offer) in respect of, in aggregate, 1,910,213 Brand Architekts Shares (representing approximately 6.84 per cent. of the existing issued ordinary share capital of Brand Architekts as at 4 December 2024, being the last Business Day before the date of this announcement). The undertakings from the Brand Architekts Directors will remain binding in the event that a higher competing offer for Brand Architekts is made.
  - Warpaint has received an irrevocable undertaking from Brand Architekts' largest shareholder, Peter Gyllenhammar, to vote (or, where applicable, procure voting) in favour of the resolutions relating to the Scheme and the Acquisition at the Meetings (or in the event that the Acquisition is implemented by a Takeover Offer, to accept or procure acceptance of such Takeover Offer) in respect of 6,850,257 Brand Architekts Shares (representing approximately 24.51 per cent. of the existing issued ordinary share capital of Brand Architekts as at 4 December 2024, being the last Business Day before the date of this announcement). The undertaking from Peter Gyllenhammar will remain binding in the event that a higher competing offer for Brand Architekts is made. Peter Gyllenhammar has elected to receive the Cash Offer for his Brand Architekts Shares.
- Further details of these irrevocable undertakings (including the circumstances in which they cease to be binding) are set out in Appendix 3 to this announcement.

### **Information on Warpaint**

- Warpaint is a specialist supplier of colour cosmetics and the owner of the W7 and Technic brands. W7 is sold in the United Kingdom primarily to major retailers and internationally to local distributors or retail chains. The Technic brand is sold in the United Kingdom and continental Europe with a focus on the gifting market, principally for high street retailers and supermarkets. In addition, Warpaint also supplies cosmetics under its other brand names of Man'stuff, Body Collection and Chit Chat, each targeting a different demographic.

The Warpaint Shares were admitted to trading on the London Stock Exchange's AIM market in 2016 and to the OTCQX in the United States in May 2024.

### Information on Brand Architekts

- Brand Architekts is a beauty brand specialist which offers a portfolio of problem-solving challenger beauty brands, sold throughout the UK and internationally. Brand Architekts' focus is on brands and products that engender high levels of consumer loyalty and reflect the focus on high-performance problem-solving solution-led brands for everyday beauty. Brand Architekts' brand portfolio encompasses female skincare, self-tan and male grooming. Brands (including Super Facialist, Skinny Tan and Dirty Works) are available on the high street in leading pharmacy and drugstore chains; in national grocery stores; on the platforms of global e-tailers; and through ecommerce websites.

### Timetable and conditions

- It is intended that the Acquisition will be implemented by way of a court-sanctioned scheme of arrangement under Part 26 of the 2006 Act (although Warpaint reserves the right to effect the Acquisition by way of a Takeover Offer, subject to the consent of the Panel and the terms of the Cooperation Agreement).
- The Acquisition will be put to Brand Architekts Shareholders at the Court Meeting and the General Meeting and is conditional on, among other things, the approval by the requisite majorities of Brand Architekts Shareholders at the Meetings and the satisfaction or (where applicable) waiver of the Conditions and certain further terms referred to in Appendix 1 to this announcement. To become Effective, the Scheme must be approved by a majority in number of Brand Architekts Shareholders, present and voting at the Court Meeting, whether in person or by proxy, representing 75 per cent. or more in value of the Scheme Shares voted. In addition, a special resolution implementing the Scheme must be passed by Brand Architekts Shareholders representing at least 75 per cent. of votes cast at the General Meeting.
- The Conditions to the Acquisition are set out in full in Appendix 1 to this announcement along with certain other terms; the full terms and conditions will be provided in the Scheme Document.
- It is expected that the Scheme Document, containing further information about the Acquisition and notices of the Court Meeting and General Meeting, together with the associated Forms of Proxy and a Form of Election, will be posted to Brand Architekts Shareholders as soon as practicable and in any event within 28 days of this announcement (or such later time as Brand Architekts, Warpaint and the Panel agree).
- The Acquisition is currently expected to complete in the first quarter of 2025, subject to the satisfaction or (where applicable) waiver of the Conditions. An expected timetable of key events relating to the Acquisition will be set out in the Scheme Document.
- Commenting on the Acquisition, Sam Bazini CEO of Warpaint, said:

*“The proposed acquisition of Brand Architekts provides an attractive strategic opportunity to supplement our on-going international organic growth by integrating Brand Architekts' highly complementary brands into Warpaint's portfolio and leveraging the enhanced range of brands across a wider number of customer relationships. Additionally, as part of a larger group we believe applying our established supply and distribution channels and approach to Brand Architekts will improve efficiency, reduce costs and drive profitability. We are looking forward to working with the Brand Architekts team to realise Brand Architekts' potential.”*

- Commenting on the Acquisition, Roger McDowell, Chair of Brand Architekts, said:

*“The Brand Architekts Board has worked hard to deliver on the Brand Architekts Group's strategic priorities against a challenging environment and continues to have confidence in its brands and longer-term prospects. However, the Brand Architekts Board recognises the certainty of value of the Cash Offer at a 100 per cent. premium to the current share price, against the backdrop of an uncertain macro-economic environment. The Acquisition will strengthen the enlarged business for the benefit of all our customers, employees and other stakeholders. The Brand Architekts Directors believe this Acquisition is in the best interests of its shareholders and as such are unanimously recommending the Acquisition to its shareholders.”*

**This summary should be read in conjunction with the following announcement and the Appendices. The conditions to, and certain further terms of, the Acquisition are set out in Appendix 1. The bases and sources for certain financial information contained in this announcement are set out in Appendix 2. Details of irrevocable undertakings received by Warpaint are set out in Appendix 3. Certain definitions and terms used in this announcement are set out in Appendix 4.**

The person responsible for arranging release of this announcement on behalf of Warpaint is Sam Bazini. The person responsible for arranging release of this announcement on behalf of Brand Architekts is Geoff Ellis.

## **Enquiries**

### **Warpaint**

**c/o IFC Advisory**

Sam Bazini (Chief Executive Officer)

Eoin Macleod (Managing Director)

Neil Rodol (Chief Financial Officer)

### **Shore Capital (Financial Adviser, Nominated Adviser and Broker to Warpaint)**

**+44 20 7408 4090**

Patrick Castle (Corporate Advisory)

Daniel Bush (Corporate Advisory)

Lucy Bowden (Corporate Advisory)

Fiona Conroy (Corporate Broking)

### **IFC Advisory (Financial PR & IR)**

020 3934 6630

Tim Metcalfe, Graham Herring, Florence Chandler

### **Brand Architekts**

**+44 20 3166 2840**

Quentin Higham (Chief Executive Officer)

Geoff Ellis (Chief Financial Officer)

### **Singer Capital Markets (Rule 3 Adviser, Nominated Adviser and Broker to Brand Architekts)**

**+44 20 7496 3000**

Jen Boorer (Investment Banking)

James Todd (Investment Banking)

Jalini Kalaravy (Investment Banking)

Fladgate LLP is acting as legal adviser to Warpaint in connection with the Acquisition.

Addleshaw Goddard LLP is acting as legal adviser to Brand Architekts in connection with the Acquisition.

## **Disclaimers**

*Shore Capital and Corporate Limited and Shore Capital Stockbrokers Limited (either individually or collectively "**Shore Capital**"), which are authorised and regulated by the Financial Conduct Authority in the United Kingdom, are acting as Financial Adviser, Nominated Adviser and Sole Broker exclusively for Warpaint and no one else in connection with the matters set out in this announcement and will not regard any other person as their client in relation to such matters and will not be responsible to anyone other than Warpaint for providing the protections afforded to clients of Shore Capital nor for providing advice in relation to the contents of, or any matter referred to in, this announcement or any transaction or arrangement referred to herein. Neither Shore Capital and Corporate Limited nor Shore Capital Stockbrokers Limited, nor any of their subsidiaries or affiliates 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 Shore Capital in connection with this announcement, any statement contained herein, any transaction or arrangement referred to 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 and nominated adviser exclusively to Brand Architekts and no-one else in connection with the matters described in this announcement and will not be responsible to anyone other than Brand Architekts for providing the protections afforded to clients of Singer Capital Markets nor for providing advice in connection with the subject matter of this announcement. Neither Singer Capital Markets nor any of its affiliates (nor any of their respective directors, partners, 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 announcement, any statement contained herein, the Takeover Offer or otherwise. No representation or warranty, express or implied, is made by Singer Capital Markets as to the contents of this announcement.*

## **Further information**

*This announcement is for information purposes only and is not intended to, and does not, constitute, or form part of, an offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Acquisition or otherwise, nor shall there be any sale, issuance or transfer of securities of Brand Architekts in any jurisdiction in contravention of applicable law. The Acquisition will be implemented solely pursuant to the terms of the Scheme Document (or, if the Acquisition is implemented by way of a Takeover Offer, the offer document), which will contain the full terms and conditions of the Acquisition, including details of how to vote in respect of the Acquisition. Any vote in respect of the Scheme or other response in relation to the Acquisition should be made only on the basis of the information contained in the Scheme Document (or, if the Acquisition is implemented by way of a Takeover Offer, the offer document).*

*This announcement does not constitute a prospectus, prospectus equivalent document or exempted document.*

*The statements contained in this announcement are made as at the date of this announcement, unless some other time is specified in relation to them, and publication of this announcement shall not give rise to any implication that there has been no change in the facts set forth in this announcement since such date.*



**If you are in any doubt about the contents of this announcement or the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.**

## **Overseas Shareholders**

*The release, publication or distribution of this announcement in or into jurisdictions other than the UK may be restricted by law and therefore any persons who are subject to the law of any jurisdiction other than the UK should inform themselves of, and observe, any applicable legal or regulatory requirements. Any failure to comply with such requirements 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 Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person. This announcement has been prepared in accordance with and for the purpose of complying with English law, the Takeover Code, the AIM Rules, the Market Abuse Regulation and the Disclosure Guidance and Transparency Rules and information disclosed may not be the same as that which would have been prepared in accordance with the laws of jurisdictions outside England and Wales.*

*The availability of the Acquisition to Brand Architekts Shareholders who are not resident in and citizens of the UK 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 UK 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 Brand Architekts 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 Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person. Further details in relation to Overseas Shareholders will be contained in the Scheme Document.*

*Unless otherwise determined by Warpaint or required by the Takeover Code, and permitted by applicable law and regulation, the Acquisition will not be made available, directly or indirectly, in, into, from, or by the use of mails or any means or instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of, any Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may vote in favour of the Scheme 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 announcement and any formal documentation relating to the Acquisition are not being, and may 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, without limitation, agents, custodians, nominees and trustees) may not mail or otherwise forward, distribute or send the same in or into or from any Restricted Jurisdiction. Doing so may render invalid any related purported vote in respect of the Acquisition. If the Acquisition is implemented by way of a Takeover Offer (unless otherwise permitted by applicable law and regulation), the Takeover Offer may not be made, directly or indirectly, in, into, from, or by the use of mails or any means or instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex 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 Takeover Offer may not be capable of acceptance by any such use, means, instrumentality or facilities.*

*The availability of New Warpaint Shares issued pursuant to the Acquisition to Brand Architekts Shareholders who are not resident in the United Kingdom or the ability of those persons to hold*

*such shares may be affected by the laws or regulatory requirements of the relevant jurisdictions in which they are resident. Persons who are not resident in the United Kingdom should inform themselves of, and observe, any applicable legal or regulatory requirements. Brand Architekts Shareholders who are in any doubt about such matters should consult an appropriate independent professional adviser in the relevant jurisdiction without delay.*

*Further details in relation to Overseas Shareholders will be contained in the Scheme Document.*

### **Notice to US Brand Architekts Shareholders**

*Brand Architekts Shareholders in the United States should note that the Acquisition relates to the securities of a company organised under the laws of England and Wales and is proposed to be effected by means of a scheme of arrangement under the 2006 Act. This announcement, the Scheme Document and certain other documents relating to the Acquisition have been or will be prepared in accordance with English law, the AIM Rules, the Takeover Code and UK disclosure requirements, and the format and style applicable to a scheme of arrangement under the 2006 Act, all of which differ from those in the United States. A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules of Section 14(e) or the proxy solicitation rules of Section 14(a) under the US Exchange Act. Accordingly, the Scheme is subject to the disclosure requirements of and practices applicable in the United Kingdom to schemes of arrangement, which differ from the disclosure requirements and practices of the United States tender offer and proxy solicitation rules.*

*Brand Architekts' financial statements, and all financial information that is included in this announcement or that may be included in the Scheme Document, or any other documents relating to the Acquisition, have been prepared in accordance with the UK adopted International Accounting Standards and may not be comparable to financial statements of companies in the United States or other companies whose financial statements are prepared in accordance with US generally accepted accounting principles. US generally accepted principles differ in certain respects from the UK adopted International Accounting Standards. None of the financial information in this announcement has been audited in accordance with the auditing standards generally accepted in the US or the auditing standards of the Public Company Accounting Oversight Board of the US.*

*The New Warpaint Shares issuable to Eligible Brand Architekts Shareholders under the Scheme have not been and will not be registered under the US Securities Act, and such New Warpaint Shares will be issued to Eligible Brand Architekts Shareholders in reliance on the exemption from registration set forth in Section 3(a)(10) of the US Securities Act. Section 3(a)(10) of the US Securities Act exempts the offer and sale of securities issued in exchange for one or more bona fide outstanding securities from the general requirement of registration where the terms and conditions of the issuance and exchange of such securities have been approved by a court authorized to grant the approval, after a hearing upon the fairness of the terms and conditions of the issuance and exchange at which all persons to whom the securities will be issued have the right to appear and receive timely notice thereof. The Court is authorized to conduct a hearing at which the fairness of the terms and conditions of the Scheme will be considered. Subject to the approval of the Scheme by the Brand Architekts Shareholders at the Court Meeting, a hearing on the Scheme will be held at which all Brand Architekts Shareholders are entitled to appear and be heard. The approval of the Court will constitute the basis for the exemption under Section 3(a)(10) of the US Securities Act for the securities to be exchanged and issued to Eligible Brand Architekts Shareholders pursuant to the Scheme. Before the Sanction Hearing, the Court will be informed of this effect of the approval of the Scheme. The exchange and issuance of the Brand Architekts Shares and New Warpaint Shares to Eligible Brand Architekts Shareholders pursuant to the Scheme will also be exempt from registration under the securities laws of the applicable states of the United States.*

*The Brand Architekts Shares and New Warpaint Shares received pursuant to the Scheme will be freely transferable under United States federal securities laws, except that the US Securities Act*

*imposes restrictions on the resales of those securities by persons who are "affiliates" of Brand Architekts or Warpaint, as the case may be, after the completion of the Scheme or within 90 days before completion of the Scheme. As defined in Rule 144 under the US Securities Act, an "affiliate" of an issuer is a person that directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, the issuer. Usually, this includes the directors, executive officers and significant shareholders of the issuer.*

*It may be difficult for US holders of Brand Architekts Shares to enforce their rights and any claims they may have arising under US federal securities laws in connection with the Acquisition, since Brand Architekts is organised under the laws of a country other than the United States, and some or all of its officers and directors may be residents of countries other than the United States, and most of the assets of Brand Architekts are located outside of the United States. US holders of Brand Architekts Shares may not be able to sue a non-US company or its officers or directors in a non-US court for violations of US federal securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's jurisdiction or judgment.*

*If Warpaint were to elect to implement the Acquisition by means of a Takeover Offer, such Takeover Offer may be made in compliance with applicable US securities laws and regulations including, to the extent applicable, Section 14(e) of the US Exchange Act and Regulation 14E thereunder, and will be made in accordance with the Takeover Code. Such a Takeover Offer may be made in the United States by Warpaint and no one else. Accordingly, the Acquisition may be subject to disclosure and other procedural requirements, including with respect to withdrawal rights, offer timetable, settlement procedures and timing of payments that are different from those applicable under US domestic tender offer procedures and law.*

*The receipt of cash pursuant to the Acquisition by a Brand Architekts Shareholder in the United States as consideration for the transfer of its Brand Architekts Shares pursuant to the Scheme will likely be a taxable transaction for United States federal income tax purposes and under any applicable United States state and local income tax laws. Each Brand Architekts Shareholder in the United States is urged to consult its independent professional tax or legal adviser immediately regarding the US federal, state and local income and non-income tax consequences of the Acquisition applicable to it, as well as any consequences arising under the laws of any other taxing jurisdiction.*

**THE NEW WARPAIN SHARES ISSUABLE PURSUANT TO THE SCHEME HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SEC OR THE STATE SECURITIES REGULATORY AUTHORITY OF ANY STATE OF THE UNITED STATES, NOR HAS THE SEC OR THE SECURITIES REGULATORY AUTHORITY OF ANY STATE OF THE UNITED STATES PASSED ON THE ADEQUACY OR ACCURACY OF THIS ANNOUNCEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE.**

### **Forward-Looking Statements**

*This announcement (including information incorporated by reference in this announcement), oral statements made regarding the Acquisition, and other information published by Warpaint and Brand Architekts 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 Warpaint and Brand Architekts 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 announcement include statements relating to the expected effects of the Acquisition on Warpaint and Brand Architekts (including their future prospects, developments and strategies), the expected timing and scope of the Acquisition 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 "prepares", "plans", "expects" or "does*

not expect”, “is expected”, “is subject to”, “budget”, “projects”, “synergy”, “strategy”, “scheduled”, “goal”, “estimates”, “forecasts”, “cost-saving”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “should”, “would”, “might” or “will” 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 Warpaint’s, any member of the Warpaint Group’s, Brand Architekts’ or any member of the Brand Architekts Group’s operations and potential synergies resulting from the Acquisition; and (iii) the effects of global economic conditions and governmental regulation on Warpaint’s, Brand Architekts’ or any member of the Warpaint Group’s or Brand Architekts Group’s business.

Although Warpaint and Brand Architekts believe that the expectations reflected in such forward-looking statements are reasonable, Warpaint and Brand Architekts can give no assurance that such expectations will prove to be correct. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements, and no undue reliance should be placed on any such forward-looking statements.

These factors include, but are not limited to: the ability to complete the Acquisition; the ability to obtain requisite regulatory and 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 from the proposed transaction not being realised as a result of changes in general economic and market conditions in the countries in which Warpaint, the Warpaint Group, Brand Architekts and the Brand Architekts Group operate, weak, volatile or illiquid capital and/or credit markets, changes in tax rates, interest rate and currency value fluctuations, the degree of competition in the geographic and business areas in which Warpaint and Brand Architekts 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 Warpaint nor Brand Architekts, 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 announcement will actually occur. You are cautioned not to place any reliance on these forward-looking statements.

Other than in accordance with their legal or regulatory obligations, neither Warpaint nor Brand Architekts is under any obligation, and Warpaint and Brand Architekts 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.

### **Dealing and Opening Position Disclosure Requirements**

Under Rule 8.3(a) of the Takeover Code, any person who is interested in 1% 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 pm (London time) on the 10<sup>th</sup> business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10<sup>th</sup> 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% 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 pm (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](http://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 announcement and the documents required to be published by Rule 26 of the Takeover Code will be made available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on Warpaint's website at <https://www.warpaintlondonplc.com/investors/Brand-Architekts-Group-plc> and on Brand Architekts' website at <https://www.brandarchitektsplc.com/> by no later than 12 noon (London time) on the Business Day following this announcement. For the avoidance of doubt, neither the content of these websites nor of any website accessible from hyperlinks set out in this announcement is incorporated by reference or forms part of this announcement.

### **No profit forecasts, estimates or quantified financial benefits statements**

No statement in this announcement is intended as a profit forecast, profit estimate or quantified financial benefits statement for any period and no statement in this announcement should be interpreted to mean that earnings or earnings per share for Brand Architekts for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for Brand Architekts.

### **Requesting hard copy documents**

In accordance with Rule 30.3 of the Takeover Code, Brand Architekts Shareholders, persons with information rights and participants in the Brand Architekts Share Plans may request a hard copy

of this announcement, free of charge, by contacting Brand Architekts' registrars, Computershare Investor Services PLC, during business hours on 03707 020 003 within the United Kingdom or on +44 (0) 370 702 0003 from overseas or by submitting a request in writing to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8AE, United Kingdom, 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. For persons who receive a copy of this announcement in electronic form or via a website notification, a hard copy of this announcement will not be sent unless so requested. In accordance with Rule 30.3 of the Takeover Code, such persons may also request that all future documents, announcements and information to be sent to them in relation to the Acquisition should be in hard copy form.

## **Electronic Communications**

Please be aware that addresses, electronic addresses and certain other information provided by Brand Architekts Shareholders, persons with information rights and other relevant persons for the receipt of communications from Brand Architekts may be provided to Warpaint during the offer period as required under Section 4 of Appendix 4 of the Takeover Code to comply with Rule 2.11(c) of the Takeover Code.

## **Rounding**

Certain figures included in this announcement 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 figures that precede them.

## **General**

Warpaint reserves the right to elect to implement the Acquisition by way of a Takeover Offer as an alternative to the Scheme (subject to the Panel's consent and the terms of the Cooperation Agreement). In such event, save as provided in the Takeover Code, the Acquisition will be implemented on substantially the same terms, so far as applicable, as those which will apply to the Scheme, subject to appropriate amendments to reflect, among other things, the change in method of effecting the Acquisition (including, without limitation: (i) the inclusion of an acceptance condition set at 90 per cent. of the Brand Architekts Shares to which such Takeover Offer relates (or such other percentage as Warpaint may, subject to the rules of the Takeover Code and with the consent of the Panel, decide); and (ii) those required by, or deemed appropriate by, Warpaint under applicable law).

In the event that the Acquisition is to be implemented by way of a Takeover Offer, Brand Architekts Shares will be acquired pursuant to the Takeover Offer 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, or any other return of capital (whether by way of reduction of share capital, repurchase, redemption or otherwise) made, by reference to a record date after the Effective Date.

If the Acquisition is effected by way of a Takeover Offer and such Takeover Offer becomes or is declared unconditional and sufficient acceptances are received, Warpaint intends to: (i) request that the London Stock Exchange cancels admission of the Brand Architekts Shares to trading on AIM; and (ii) exercise its rights (to the extent such rights are available) to apply the provisions of Chapter 3 of Part 28 of the 2006 Act to acquire compulsorily the remaining Brand Architekts Shares in respect of which the Takeover Offer has not been accepted.

Investors should be aware that Warpaint may purchase Brand Architekts Shares otherwise than under any Takeover Offer or the Scheme, including pursuant to privately negotiated purchases.

## **Rule 2.9 of the Takeover Code**

*For the purposes of Rule 2.9 of the Takeover Code, Warpaint confirms that, as at 4 December 2024, it had in issue 77,742,723 ordinary shares of 25 pence each. The International Securities Identification Number (“**ISIN**”) for these shares is GB00BYMF3676.*

*For the purposes of Rule 2.9 of the Takeover Code, Brand Architekts confirms that, as at 4 December 2024, it had in issue 27,943,180 ordinary shares of 5 pence each. The ISIN for these shares is GB0008667304.*

**NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR REGULATIONS OF THAT JURISDICTION.**

**THIS ANNOUNCEMENT IS NOT A PROSPECTUS OR PROSPECTUS EQUIVALENT DOCUMENT AND BRAND ARCHITEKTS SHAREHOLDERS SHOULD NOT MAKE ANY INVESTMENT DECISION IN RELATION TO THE NEW WARPAIN SHARES EXCEPT ON THE BASIS OF INFORMATION IN THE SCHEME DOCUMENT WHICH IS PROPOSED TO BE PUBLISHED IN DUE COURSE.**

**THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION.**

**FOR IMMEDIATE RELEASE**

**5 December 2024**

**RECOMMENDED CASH ACQUISITION**

**of**

**Brand Architekts Group plc**

**by**

**Warpaint London plc**

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

**1 INTRODUCTION**

The boards of directors of Warpaint and Brand Architekts are pleased to announce that they have reached agreement on the terms and conditions of a recommended cash offer to be made by Warpaint for the entire issued, and to be issued, ordinary share capital of Brand Architekts.

It is intended that the Acquisition will be implemented by way of a court-sanctioned scheme of arrangement under Part 26 of the 2006 Act (although Warpaint reserves the right to effect the Acquisition by way of a Takeover Offer, subject to the consent of the Panel and the terms of the Cooperation Agreement). The Conditions to the Acquisition are set out in full in Appendix 1 to this announcement.

**2 THE ACQUISITION**

Under the terms of the Acquisition, which will be subject to the Conditions and further terms set out in Appendix 1 to this announcement and the full terms and conditions to be set out in the Scheme Document, each Brand Architekts Shareholder will be entitled to receive:

**for each Brand Architekts Share: 48 pence in cash**

The Acquisition values Brand Architekts' entire issued, and to be issued, ordinary share capital at approximately £13.88 million on a fully diluted basis.



The Offer Price per Brand Architekts Share represents a premium of approximately:

- 100 per cent. to the Closing Price of 24 pence per Brand Architekts Share on 4 December 2024 (being the last Business Day before the date of this announcement);
- 85.42 per cent. to the average price of 25.89 pence per Brand Architekts Share for the 3-month period ended 4 December 2024 (being the last Business Day before the date of this announcement); and
- 95.78 per cent. to the average price of 24.52 pence per Brand Architekts Share for the 12-month period ended 4 December 2024 (being the last Business Day before the date of this announcement).

As an alternative to the Cash Offer, Eligible Brand Architekts Shareholders will be entitled to elect to receive 0.0916 New Warpaint Shares for each Brand Architekts Share they hold instead of the Cash Offer to which they would otherwise be entitled. Based on Warpaint's share price of 524 pence on 4 December 2024 (being the last Business Day before the date of this announcement), 0.0916 of a New Warpaint Share is equivalent to 48 pence per Brand Architekts Share. Accordingly, and on the basis of the above, each of the Cash Offer and the Alternative Share Offer values each Brand Architekts Share at 48 pence as at 4 December 2024 (being the last Business Day before the date of this announcement).

The Brand Architekts Shares will be acquired pursuant to the Acquisition 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, or any other return of capital (whether by way of reduction of share capital, repurchase, redemption or otherwise) made, with a record date on or after the Effective Date.

Brand Architekts does not intend to pay a dividend or make any other distribution or return of capital or value between the date of this announcement and the Acquisition becoming Effective. If, on or after the date of this announcement and prior to the Acquisition becoming Effective, 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 Brand Architekts Shares, Warpaint reserves the right to reduce the consideration payable pursuant to the Cash Offer (and, as the case may be, the exchange ratio in relation to the Alternative Share Offer) 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 announcement to the consideration payable under the terms of the Acquisition will be deemed to be a reference to the consideration as so reduced. Any exercise by Warpaint 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 Acquisition. In such circumstances, Brand Architekts Shareholders would be entitled to receive and retain any such dividend, distribution and/or other return of capital or value.

### **3 ALTERNATIVE SHARE OFFER**

Under the terms of the Alternative Share Offer and as an alternative to the Cash Offer, Eligible Brand Architekts Shareholders (other than Restricted Brand Architekts Shareholders) will be entitled to elect to receive 0.0916 New Warpaint Shares for each Brand Architekts Share they hold instead of the Cash Offer to which they would otherwise be entitled.

In deciding which of the Cash Offer or Alternative Share Offer to elect for, the Brand Architekts Board believes that the Brand Architekts Shareholders should take into account the key factors below:

- Warpaint's shares may not be a suitable investment for all Brand Architekts Shareholders. The value of Warpaint's shares may go down as well as up and Brand Architekts Shareholders may receive less than the current value of the Alternative Share Offer should they elect for the Alternative Share Offer and then decide to sell the shares in the future;
- the risk appetite, investment horizon, current asset allocation, liquidity requirements, investment objectives and available capital of each individual Brand Architekts Shareholder;
- the individual tax and financial circumstance of each individual Brand Architekts Shareholder;
- the Brand Architekts Board cannot predict what short-term effect, if any, the Warpaint Fundraising will have on the market price of the Warpaint Shares;
- the Alternative Share Offer ratio has been calculated based on Warpaint's share price of 524 pence on 4 December 2024 (being the last Business Day before the date of this announcement) and the Brand Architekts Board offers no view on the current price of Warpaint Shares relative to the Warpaint Group's net asset value, nor by reference to other established metrics for determining value;
- Warpaint Shares are admitted to trading on AIM. The AIM market is designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies;
- Warpaint may fail to realise the anticipated benefits and synergies expected from the Acquisition which could adversely affect the Warpaint business, its financial condition and operating results, any of which may impact the price of Warpaint Shares; and
- the Alternative Share Offer allows Brand Architekts Shareholders to participate in the potential future value creation of the Enlarged Warpaint Group which may ultimately deliver greater value than the Cash Offer (although this cannot be guaranteed).

Brand Architekts Shareholders are encouraged to take into account these key factors outlined above in deciding which of the Cash Offer or Alternative Share Offer to elect for, and are strongly recommended to seek their own independent financial, tax and legal advice.

Eligible Brand Architekts Shareholders will only be able to elect for the Alternative Share Offer in relation to their entire holding of Brand Architekts Shares and not part only.

Eligible Brand Architekts Shareholders who do not positively and validly elect to receive the Alternative Share Offer, as well as Restricted Brand Architekts Shareholders, will automatically receive the Cash Offer.

Elections under the Alternative Share Offer will not affect the entitlements of those Brand Architekts Shareholders who do not make such elections.

If the issue of New Warpaint Shares to any person who is a Restricted Brand Architekts Shareholder, or to any person who is reasonably believed to be a Restricted Brand Architekts Shareholder, would or may infringe the laws of a jurisdiction outside England and Wales or would or may require any governmental or other consent or any registration,

filing or other formality which cannot be complied with, or compliance with which would be unduly onerous, Warpaint may at its discretion determine that such Restricted Brand Architekts Shareholder shall either (i) not have allotted or issued to him, her or it New Warpaint Shares and that the New Warpaint Shares which would otherwise have been attributable to such Restricted Brand Architekts Shareholder under the terms of the Acquisition shall be sold in the market and the cash proceeds of such sale be forwarded to such person or (ii) that the New Warpaint Shares shall be issued to such Restricted Brand Architekts Shareholder but shall be sold in the market on his, her or its behalf and the cash proceeds of such sale forwarded to the relevant Restricted Brand Architekts Shareholder (in each case after deduction of broking fees and other sale costs and expenses).

Under the terms of the Acquisition, Brand Architekts Shareholders may receive in aggregate up to 1,932,111 New Warpaint Shares in respect of shares currently in issue in the capital of Brand Architekts (excluding any Brand Architekts Shares that could have been elected to be received by Peter Gyllenhammar on the basis he has already elected to receive the Cash Offer). If Brand Architekts Shareholders elect to receive the full amount of 1,932,111 New Warpaint Shares and no Brand Architekts Shareholders receive the Cash Offer (with the exception of Peter Gyllenhammar who has already elected to receive the Cash Offer), immediately following completion of the Acquisition, existing Brand Architekts Shareholders will represent approximately 2.42 per cent. of the Enlarged Warpaint Group and Warpaint Shareholders will represent approximately 97.58 per cent. of the Enlarged Warpaint Group. Applications will be made to the London Stock Exchange for the New Warpaint Shares to be admitted to trading on AIM.

The New Warpaint Shares will be issued credited as fully paid and will rank *pari passu* in all respects with the Warpaint Shares in issue at the time the New Warpaint Shares are issued pursuant to the Acquisition, including in respect of the right to receive and retain in full all dividends and other distributions (if any) announced, declared, made or paid or any other return of capital (whether by reduction of share capital or share premium account or otherwise) made, in each case, by reference to a record date falling on or after the Effective Date. The holders of the Warpaint Shares and New Warpaint Shares shall also each have the right to receive notices of general meetings of Warpaint and to attend, speak and vote at them. Irrespective of the date on which the Effective Date falls, Brand Architekts Shareholders who receive New Warpaint Shares pursuant to the Scheme shall not be entitled to receive any final dividend or interim dividend declared or paid by Warpaint by reference to a record date falling prior to the Effective Date. The New Warpaint Shares will be issued in registered form and will be capable of being held in both certificated and uncertificated form.

The timetable for (i) the issuance of the New Warpaint Shares, (ii) the crediting of CREST accounts of Eligible Brand Architekts Shareholders who have validly elected for the Alternative Share Offer and who hold their Brand Architekts Shares in uncertificated form, and (iii) the despatch of share certificates in respect of New Warpaint Shares who have validly elected for the Alternative Share Offer and who hold their Brand Architekts Shares in certificated form, will be set out in the Scheme Document.

Fractions of New Warpaint Shares will not be allotted or issued pursuant to the Acquisition, and entitlements of Scheme Shareholders will be rounded down to the nearest whole number of New Warpaint Shares and all fractions of New Warpaint Shares will be aggregated and sold in the market as soon as practicable after the Effective Date. The net proceeds of such sale (after deduction of broking fees and other sale costs and expenses, together with any tax or foreign exchange conversion fees payable on the sale) will be distributed in due proportions to Scheme 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 £10.00 will be retained for the benefit of the Enlarged Warpaint Group.

Further details in relation to the Alternative Share Offer and which Brand Architekts Shareholders are ineligible to participate will be contained in the Scheme Document and the related Form of Election.

#### **4 BACKGROUND TO AND REASONS FOR THE ACQUISITION**

Warpaint has a successful strategy of focusing on growing profitable sales of its branded products globally, whilst increasing overall margins. This has been achieved through increasing sales with Warpaint's existing retail customers and winning new major retailers. The Warpaint Board believes that there continues to be significant growth opportunities for Warpaint and accordingly, the Warpaint Group remains focused on continuing to execute on this organic growth strategy.

Having followed Brand Architekts for some time, as another company admitted to trading on AIM operating in a similar sector, the Warpaint Board believes that the Acquisition at this time is an exciting and relatively low risk opportunity to further bolster Warpaint's growth opportunities.

Warpaint has a strong track record of successfully acquiring, integrating and growing businesses with complementary brands, offerings and customers, with the acquisitions of Retra Holdings Limited ("**Retra**") in 2017 and Marvin Leeds Marketing Services, Inc. in 2018. Both acquisitions were earnings enhancing and have contributed to the strong overall growth of the Warpaint business. In particular, revenues and profits before tax from Retra grew by 55 per cent. and 123 per cent. respectively between the years ended 31 December 2017 and 31 December 2023.

The Warpaint Board considers that Brand Architekts provides a similar opportunity as its previous acquisitions, and that the Acquisition will enhance Brand Architekts' proposition and profitability as part of a larger, successful health, beauty and personal care business.

Warpaint believes that Brand Architekts has a number of high-quality health, beauty and personal care brands with a well-established customer base which complements Warpaint's existing customer relationships and its brand portfolio. Warpaint believes the Acquisition will strengthen the Enlarged Warpaint Group's customer proposition and facilitate cross-selling opportunities by leveraging a wider brand offering and broader customer relationships.

In addition, while Brand Architekts has grown its gross margins over recent financial periods, it carries a high overhead cost base relative to the level of gross profit generated by the business, in part as a result of being a small company carrying the corporate and governance costs associated with a public quotation. The Warpaint Board believes that the level of overheads relative to the scale of the Brand Architekts Group is inefficient and has impacted profitability. Warpaint believes that the Acquisition will provide the opportunity to generate cost synergies and reduce overheads to a more efficient level which should increase Brand Architekts' profitability. Accordingly, the Warpaint Board expects the Acquisition to be earnings enhancing to Warpaint in the year ending 31 December 2025.

#### **5 RECOMMENDATION**

The Brand Architekts Directors, who have been so advised by Singer Capital Markets as to the financial terms of the Cash Offer and Alternative Share Offer, consider the terms of each of the Cash Offer and Alternative Share Offer to be fair and reasonable. In providing its advice to the Brand Architekts Directors, Singer Capital Markets has taken into account the commercial assessments of the Brand Architekts Directors. Singer Capital Markets is providing independent financial advice to the Brand Architekts Directors for the purposes of Rule 3 of the Takeover Code.

Accordingly, the Brand Architekts Directors intend to recommend unanimously that Brand Architekts Shareholders vote in favour of the Scheme at the Court Meeting and the Resolution to be proposed at the General Meeting (or, in the event that the Acquisition is implemented by way of a Takeover Offer, to accept or instruct the acceptance of the Takeover Offer), as the Brand Architekts Directors who hold Brand Architekts Shares have irrevocably undertaken to do in respect of their own beneficial holdings totalling 1,910,213 Brand Architekts Shares (representing approximately 6.84 per cent. of the existing issued ordinary share capital of Brand Architekts as at 4 December 2024, being the last Business Day before the date of this announcement). Further details of these undertakings are set out in Appendix 3 to this announcement.

In deciding which of the Cash Offer and the Alternative Share Offer to elect for, Brand Architekts Shareholders should consider their individual tax and financial situation. Brand Architekts Shareholders should consider whether the Alternative Share Offer is suitable in light of their own personal circumstances and investment objectives, and are therefore strongly recommended to seek their own independent financial, tax and legal advice and to read in full this announcement (including the key factors set out in the Alternative Share Offer paragraph below) and, when published, the Scheme Document, before deciding whether to elect to receive the Alternative Share Offer. The Brand Architekts Board will notify their intentions in respect of their own beneficial holdings and their elections for either the Cash Offer or Alternative Share Offer within the Scheme Document.

## **6 BACKGROUND TO AND REASONS FOR THE RECOMMENDATION**

In August 2019, following the disposal of Brand Architekts' manufacturing business and associated assets, Brand Architekts focused its strategy exclusively on its owned brands, investing in organic growth and exploring selective acquisitions to enhance profitability and scale. In line with this, and alongside the launch of new project lines, Brand Architekts acquired InnoVaDerma plc in May 2022 to offer a wider range of higher-margin products to its commercial customer base and increase the Brand Architekts Group's international expansion effort.

Whilst significant progress has been made to deliver these strategic priorities, trading conditions over the period have been challenging. Supply and cost headwinds through the pandemic have been coupled with demand challenges from the cost-of-living crisis, particularly in self-tan. These factors have led to recent successive years of underlying operating losses. Accordingly, Brand Architekts has prioritised reducing losses, margin improvement and returning the business to profitability.

The immediate priorities for Brand Architekts are to drive brand awareness of Skinny Tan and Super Facialist, with an expected year-on-year increase in digital awareness and acquisition campaigns, with more investment in TikTok and influencers. Historically Brand Architekts has been successful in securing new distribution, but maintaining listings requires necessary advertising and promotional spend to generate the appropriate return on sales.

The Brand Architekts Directors continue to be confident in the Brand Architekts Group's strategic and financial aims, and in building the required foundations to enable the Brand Architekts Group to return to profitability and achieve its medium and long-term goals. However, the Brand Architekts Directors are mindful that trading conditions remain challenging and that the acceleration of the strategic aims of the Brand Architekts Group requires investment to further drive brand awareness and there are therefore risks to the delivery of the strategy in the short to medium term.

The Brand Architekts Board recognises that the market for Brand Architekts Shares is relatively illiquid, making it challenging for Brand Architekts Shareholders to monetise their

holdings should they so wish. The Acquisition provides Brand Architekts Shareholders the opportunity for an immediate, certain and attractive realisation of cash.

The Brand Architekts Board believes that the Acquisition will provide Brand Architekts Shareholders with an opportunity to receive an immediate and certain value per Brand Architekts Share, in cash, at a significant premium (of 100 per cent. to the closing price of a Brand Architekts Share on 4 December 2024, being the last Business Day before the date of this announcement) that may not otherwise be available and would, in any event, be subject to the successful execution of Brand Architekts' strategy and the realisation of its longer-term growth prospects.

The Brand Architekts Board notes that Peter Gyllenhammar, Brand Architekts' largest shareholder with an interest in approximately 24.51 per cent. of the existing issued ordinary share capital of Brand Architekts as at 4 December 2024, being the last Business Day before the date of this announcement), is supportive of the Acquisition and has given an irrevocable undertaking to Warpaint to vote in favour of the Scheme.

In addition to the financial terms of the Acquisition (including the terms of each of the Cash Offer and Alternative Share Offer, respectively) in its evaluation of Warpaint as suitable owners of Brand Architekts from the perspective of all stakeholders, the Brand Architekts Directors have also taken into account Warpaint's intentions for the business, management and employees and other stakeholders of Brand Architekts, as set out in paragraph 10 below. In particular, the Brand Architekts Directors note that Warpaint has confirmed that it will seek to continue with the growth plan of the UK business and the importance placed by Warpaint on the existing employees and other stakeholders of Brand Architekts.

The Brand Architekts Board acknowledges the strategic rationale of combining Warpaint and Brand Architekts and notes Warpaint's belief that the Acquisition will enhance Brand Architekts' proposition and profitability as part of a larger, successful health, beauty and personal care business.

It is with regret that the Brand Architekts Directors note the potential for some headcount reductions and that some roles may be reduced in scope or involve redeployment, following a full review expected to be undertaken by Warpaint. The Brand Architekts Directors welcome the assurance that Warpaint expects to develop a full understanding of exactly the roles and tasks undertaken by each employee as part of its review of Brand Architekts' operations and before determining any headcount reductions. Brand Architekts believes that the Enlarged Warpaint Group will provide ongoing Brand Architekts employees with opportunities to continue their careers as part of a larger business.

The Brand Architekts Directors recognise that combining the head offices is a logical step in integrating the businesses, with Brand Architekts' main business operations being within a 10 mile radius of Warpaint's main corporate office. At an appropriate time following the Meetings, the Brand Architekts Directors expect to give notice to terminate the lease on the head office so that it terminates in July 2025.

The Brand Architekts Directors are reassured that Warpaint does not intend to make any changes to the agreed employer contributions into Brand Architekts' existing defined benefit and defined contribution pension schemes or the level of benefits for existing members, or redeploy any of Brand Architekts' fixed assets outside its head office. The

Brand Architekts Directors further welcome the statement that Warpaint intends to continue with product development for the Brand Architekts business.

Consequently, the Brand Architekts Directors believe that the Acquisition represents the best opportunity for Brand Architekts to accelerate its growth strategy for the benefit of all stakeholders.

After careful consideration of all relevant factors, the Brand Architekts Directors have concluded that the terms of each of the Cash Offer and Alternative Share Offer are in the best interests of Brand Architekts and the Brand Architekts Shareholders as a whole. As such, the Brand Architekts Directors unanimously intend to recommend that Brand Architekts Shareholders vote in favour of the Acquisition.

## **7 INFORMATION RELATING TO WARPAIN AND CURRENT TRADING**

### **Information on Warpaint**

Warpaint is a specialist supplier of colour cosmetics and the owner of the W7 and Technic brands. W7 is sold in the United Kingdom primarily to major retailers and internationally to local distributors or retail chains. The Technic brand is sold in the United Kingdom and continental Europe with a focus on the gifting market, principally for high street retailers and supermarkets. In addition, Warpaint also supplies cosmetics under its other brand names of Man'sstuff, Body Collection and Chit Chat, each targeting a different demographic. The Warpaint Shares were admitted to trading on the London Stock Exchange's AIM market in 2016 and to the United States' OTCQX in May 2024.

### **Warpaint current trading**

On 17 September 2024, Warpaint announced with its results for the six months ended 30 June 2024 that positive business momentum had continued post period end. Since then, the Warpaint Group has seen continued strong momentum and the Warpaint Board expects the results for the year ended 31 December 2024 to be in line with its expectations.

Trading in the US has been particularly strong in the second half, benefitting from an initial order from Walmart for both W7 and Chit Chat products. Warpaint now expects to report US revenue growth of around 20 per cent. for the year (in US dollar terms) at a significantly higher margin to that achieved in 2023, following the reduced focus on deep discounters. Constructive talks are ongoing with Walmart regarding the supply of all year round and gifting ranges for 2025.

The Warpaint Group's gross margin for 2024 as a whole is expected to be comfortably above the level achieved last year (2023: 39.9 per cent.).

Looking forward to 2025, in the UK, Superdrug is expected to roll out W7 colour cosmetics into a significant number of new stores, and is in talks to roll out accessories into several hundred stores. In Tesco, confirmation of a 150-store expansion of the Group's W7 impulse offering during 2025 has been received. Additionally, Boots has agreed to take a number of gifting products for the first time for Christmas 2025, which will be stocked in several hundred stores.

After a successful launch of W7 product into Etos in the Netherlands at the end of 2023, Warpaint has received confirmation of an expansion of the product assortment in all Etos

stores, and the roll out of a 'back wall' fixture with an enhanced product range is now taking place.

Warpaint is currently in talks with other large new retailers in Europe, the US and the UK with a view to stock the Warpaint Group's products.

## **8 INFORMATION RELATING TO BRAND ARCHITEKTS**

Brand Architekts is a beauty brand specialist which offers a portfolio of problem-solving challenger beauty brands, sold throughout the UK and internationally. Brand Architekts' focus is on brands and products that engender high levels of consumer loyalty and reflect the focus on high-performance problem-solving solution-led brands for everyday beauty. Brand Architekts' brand portfolio encompasses female skincare, self-tan and male grooming. Brands (including Super Facialist, Skinny Tan and Dirty Works) are available on the high street in leading pharmacy and drugstore chains; in national grocery stores; on the platforms of global e-tailers; and through ecommerce websites.

Brand Architekts announced its full year results for the year ended 30 June 2024 on 21 October 2024 and has since posted its Annual Report and Accounts to Brand Architekts Shareholders.

For its financial year ended 30 June 2024 Brand Architekts reported sales of £17 million (2023: £20.1 million), gross profit margins of 41.2 per cent. (2023: 39.7 per cent.) and an underlying operating loss of £0.4 million (2023: loss of £1.2 million). As at 30 June 2024 the Brand Architekts Group reported cash balances of £7.0 million (2023: £8.2 million).

Trading for the current financial year remains in line with Brand Architekts management's expectations.

## **9 IRREVOCABLE UNDERTAKINGS**

In total, including irrevocable undertakings from the Brand Architekts Directors, Warpaint has received irrevocable undertakings to vote in favour of the resolutions relating to the Scheme and the Acquisition at the Meetings (or in the event that the Acquisition is implemented by a Takeover Offer, to accept, or procure or (as the case may be) instruct, acceptance of such Takeover Offer), in respect of, in aggregate, 8,760,470 Brand Architekts Shares (representing approximately 31.35 per cent. of the existing issued ordinary share capital of Brand Architekts as at 4 December 2024, being the last Business Day before the date of this announcement).

These comprise of the following irrevocable undertakings:

- Warpaint has received irrevocable undertakings from the Brand Architekts Directors who hold Brand Architekts Shares to vote (or, where applicable, instruct voting) in favour of the resolutions relating to the Scheme and the Acquisition at the Meetings (or in the event that the Acquisition is implemented by a Takeover Offer, to accept or instruct the acceptance of such Takeover Offer) in respect of, in aggregate, 1,910,213 Brand Architekts Shares (representing approximately 6.84 per cent. of the existing issued ordinary share capital of Brand Architekts as at 4 December 2024, being the last Business Day before the date of this announcement). The undertakings from the Brand Architekts Directors will remain binding in the event that a higher competing offer for Brand Architekts is made.
- Warpaint has received an irrevocable undertaking from Brand Architekts' largest shareholder, Peter Gyllenhammar, to vote (or, where applicable, procure voting) in favour of the resolutions relating to the Scheme and the Acquisition at the Meetings (or in the event that the Acquisition is implemented by a Takeover Offer, to accept or



procure acceptance of such Takeover Offer) in respect of 6,850,257 Brand Architekts Shares (representing approximately 24.51 per cent. of the existing issued ordinary share capital of Brand Architekts as at 4 December 2024, being the last Business Day before the date of this announcement). The undertaking from Peter Gyllenhammar will remain binding in the event that a higher competing offer for Brand Architekts is made. Peter Gyllenhammar has elected to receive the Cash Offer for his Brand Architekts Shares.

Further details of these irrevocable undertakings (including the circumstances in which they cease to be binding) are set out in Appendix 3 to this announcement.

## **10 STRATEGIC PLANS FOR BRAND ARCHITEKTS, ITS DIRECTORS, MANAGEMENT, EMPLOYEES, PENSIONS, LOCATIONS AND OTHER MATTERS**

### ***Strategic plans for Brand Architekts***

Warpaint believes that the Acquisition provides the opportunity to accelerate revenue growth by cross selling the Enlarged Warpaint Group's brands across a broader customer base. Warpaint intends to apply its extensive experience and existing relationships within the cosmetic sector to expand and drive market penetration of Brand Architekts' key brands.

Additionally, Warpaint believes there is a significant opportunity to reduce Brand Architekts' overheads and improve efficiency to increase profitability. It anticipates improving efficiency and reducing overheads over time in a range of areas, including through:

- leveraging a larger, optimised supplier base, combined with Warpaint's local sourcing and quality assurance functions, which Warpaint expects will reduce the production and operating costs of the Brand Architekts product range;
- rationalising the Enlarged Warpaint Group's wider business supplier base, such as IT services;
- making extensive costs savings by bringing Brand Architekts' logistics activities, which are currently handled by a third party, within Warpaint's own internal logistics operations;
- removing duplicated public company and associated governance costs;
- consolidating Brand Architekts' business operations (currently based in Teddington) into Warpaint's own site in Iver, which is within a 10 miles radius of Brand Architekts' main business operations;
- reviewing Brand Architekts' organisation structure and optimising the allocation and level of employee resources across the differing business areas; and
- improving working capital efficiency within the Brand Architekts product range.

Following the Acquisition becoming Effective, Warpaint intends to partner with Brand Architekts' management team to undertake a full review of Brand Architekts' operations and proposition to consider how to most effectively implement the opportunities for increasing revenue generation and reducing Brand Architekts overheads as set out above. Warpaint expects to undertake and complete this review within approximately six months from the Effective Date.

### ***Board, management and employees***

Warpaint places great importance on the skills and experience of Brand Architekts' employees who have contributed to the Brand Architekts business.

Warpaint notes that Brand Architekts operates with only 48 employees and that Brand Architekts has different roles, reporting lines and responsibilities to the Warpaint organisational structure. Therefore, Warpaint's review of Brand Architekts' operations is expected to encompass developing a full understanding of exactly the roles and tasks undertaken by each employee to determine the efficiencies which can be generated. This review may result in some headcount reduction or redeployment, and, if there is any such reduction, the level might be material when considered and judged on a relative basis against Brand Architekts' small employee base of only 48 people. Once Brand Architekts ceases to be a quoted company, some central management, corporate and support functions, including PLC-related functions, may be reduced in scope, which will form an important part of this employee review.

Any headcount reduction will be subject to applicable employee information and consultation requirement, and any reduction in headcount could arise from natural attrition as employees leave the Enlarged Warpaint Group. It is expected that, on the Effective Date, each non-executive Brand Architekts Director, including the non-executive chairman, will resign with immediate effect.

Warpaint confirms that, following the Effective Date, the existing statutory and contractual employment and pension rights will be fully safeguarded for all employees of the Brand Architekts Group in accordance with applicable laws.

Warpaint notes that, outside of board members, no headcount reduction resulted from the acquisitions of Retra in 2017 and Marvin Leeds Marketing Services, Inc. in 2018. When Warpaint acquired Retra in 2017 it had 56 employees, and having successfully generated strong growth in Retra's brand portfolio, Retra currently employs 66 staff members.

### ***Pension schemes***

Warpaint does not intend to make any changes, unless required to do so by applicable law, to the agreed employer contributions into Brand Architekts' existing defined benefit and defined contribution pension schemes (including with regard to current arrangements for the funding of any scheme deficit in the defined benefit pension scheme), the level of benefits for existing members or the admission of new members to such pension schemes following the Effective Date. Warpaint notes the Brand Architekts Pension Scheme was closed to accrual in 2015.

### ***Places of business, headquarters, fixed assets and research and development***

Brand Architekts' headquarters are currently located in Teddington, within a 10 mile radius of Warpaint's main corporate office. Brand Architekts' current lease on its headquarters can be terminated in July 2025. Warpaint intends to procure that Brand Architekts terminates that lease and intends to consolidate Brand Architekts' business operations into its own existing headquarters in Iver, Buckinghamshire. Other than this change, Warpaint

does not currently intend to undertake any other redeployment of Brand Architekts' fixed assets.

Warpaint intends to continue with product development (research and development) for the Brand Architekts business including ongoing improvement to existing Brand Architekts products as well as the development of new products.

### ***Trading facilities***

Brand Architekts is currently admitted to trading on AIM. As set out in paragraph 17 below, an application will be made to the London Stock Exchange for the cancellation of the admission to trading of Brand Architekts Shares on AIM shortly following the Effective Date. It is also intended that Brand Architekts will be re-registered as a private limited company and for this to take effect as soon as practicable following the Effective Date.

### ***No post-offer undertakings***

No statement in this paragraph 10 constitutes a post-offer undertaking for the purposes of Rule 19.5 of the Code.

## **11 FINANCING OF THE ACQUISITION**

Warpaint intends to finance the Cash Consideration from its own cash resources. These cash resources are initially being provided to Warpaint by way of loans from two of Warpaint's directors, Samuel Bazini and Eoin Macleod (the **Directors' Loans**). The funds from the Directors' Loans have been placed in escrow.

Warpaint intends to repay the Directors' Loans from the proceeds of the Warpaint Fundraising which is being launched by Warpaint shortly after this announcement by way of a separate announcement.

Shore Capital, in its capacity as financial adviser to Warpaint, is satisfied that sufficient resources are available to Warpaint to satisfy in full the Cash Consideration payable to Brand Architekts Shareholders under the terms of the Acquisition.

## **12 AIM RULE 13**

The Warpaint Board considered various alternative ways to obtain the financing set out in paragraph 11. The cost of this short term funding was significant and accordingly Sam Bazini (**SB**) and Eoin Macleod (**EM**) offered to provide the Directors' Loans at no cost to Warpaint and on the terms set out below. The Warpaint Board (excluding SB and EM) have considered this offer and resolved to accept it as it was comfortably the most cost-effective and practical way to obtain this finance. SB and EM have requested Warpaint to donate the interest that they would have earned from the Directors' Loans to UK children's charities, which the Warpaint Board is happy to do.

As SB and EM are directors of Warpaint they are considered to be related parties of Warpaint and therefore the Directors' Loans for the purposes of financing the Acquisition are deemed to be related party transactions pursuant to Rule 13 of the AIM Rules. The Warpaint Board (excluding SB and EM) consider, having consulted with Warpaint's

Nominated Adviser, Shore Capital, that the terms of the Directors' Loans are fair and reasonable insofar as the Warpaint Shareholders are concerned.

The Directors' Loans consist of:

- a loan from SB of £8,500,000 to Warpaint; and
- a loan from EM of £5,500,000 to Warpaint.

The Directors' Loans are each on the same terms and contain the following terms:

- interest is payable by Warpaint on the full amount of each Directors Loan at the Bank of England's base rate plus 0.5 per cent. until the date on which the relevant loan is repaid in full;
- each Directors Loan is repayable (a) by Warpaint on receipt of the cash proceeds from the Warpaint Fundraising, or (b) if the Warpaint Fundraising does not raise the full amount anticipated by Warpaint, by Warpaint on receipt of the cash proceeds from the Warpaint Fundraising with the remainder being paid as and when Warpaint's cash flow and working capital requirements permit;
- Warpaint will cover all costs incurred by SB and EM in providing the Directors' Loans to Warpaint;
- there are no conditions, no provisions relating to events of default and no security is granted by Warpaint; and
- there is no fixed term for the Directors' Loans and no deadline by which Warpaint is required to repay the Directors' Loans.

## 13 OFFER-RELATED ARRANGEMENTS

### Confidentiality Agreement

Brand Architekts and Warpaint entered into a confidentiality agreement on 10 October 2024 pursuant to which both parties have undertaken to keep certain information relating to each other confidential and not to disclose such information to third parties except to certain permitted disclosees for the purposes of evaluating the Acquisition or if required by applicable laws or regulations.

### Cooperation Agreement

Pursuant to a cooperation agreement dated 5 December 2024: (a) Warpaint has agreed to provide Brand Architekts with certain information for the purposes of the Scheme Document and to otherwise assist with the preparation of the Scheme Document; (b) Warpaint and Brand Architekts have agreed certain arrangements in respect of the Brand Architekts Share Plans; and (c) the parties have agreed to certain provisions if the Acquisition should switch to a Takeover Offer.

The Cooperation Agreement terminates, amongst other things, if: (a) agreed in writing between Warpaint and Brand Architekts; (b) prior to the Long Stop Date, any Condition becomes incapable of satisfaction; (c) the Brand Architekts Directors withdraw their recommendation of the Acquisition or if the Brand Architekts Directors recommend a competing proposal by a third party; (d) the Acquisition is withdrawn, terminates or lapses; or (e) the Scheme does not become Effective by the Long Stop Date.

## 14 DISCLOSURE OF INTERESTS IN BRAND ARCHITEKTS SECURITIES

Except for the irrevocable undertakings referred to in paragraph 9 above and Appendix 3, as at 4 December 2024 (being the last Business Day before the date of this announcement) neither Warpaint, nor any of its directors, nor, so far as Warpaint is aware, any person treated as acting in concert (within the meaning of the Takeover Code) with it for the

purposes of the Acquisition (i) had any interest in or right to subscribe for any relevant securities of Brand Architekts, or (ii) had any short positions in respect of relevant securities of Brand Architekts (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery, or (iii) has borrowed or lent any relevant securities of Brand Architekts (including, for these purposes, any financial collateral arrangements of the kind referred to in Note 3 on Rule 4.6 of the Takeover Code) save for any borrowed shares which have been either on-lent or resold, or (iv) is a party to any dealing arrangement of the kind referred to in Note 11 on the definition of acting in concert in the Takeover Code.

It has not been practicable for Warpaint to make enquiries of all of its concert parties in advance of the release of this announcement. Therefore, if Warpaint becomes aware, following the making of such enquiries, that any of its concert parties have any additional interests in the relevant securities of Brand Architekts, all relevant details in respect of Warpaint's concert parties will be included in Warpaint's Opening Position Disclosure in accordance with Rule 8.1(a) and Note 2(a)(i) on Rule 8 of the Takeover Code which must be made at or before 12 noon (London time) on 19 December 2024.

## **15 BRAND ARCHITEKTS SHARE PLANS**

Participants in the Brand Architekts Share Plans will be contacted regarding the effect of the Acquisition on their options and awards under the Brand Architekts Share Plans. Details of the impact of the Scheme on the Brand Architekts Share Plans and the proposals will be set out in the Scheme Document.

## **16 SCHEME PROCESS**

The Acquisition is subject to the Conditions and certain further terms referred to in Appendix 1 to this announcement and to the full terms and conditions to be set out in the Scheme Document, and will only become Effective if, among other things, the following events occur on or before the Long Stop Date (or such later date, if any, (a) as Warpaint and Brand Architekts may agree, or (b) in a competitive situation as may be specified by Warpaint with the consent of the Panel, and in each case that (if so required) the Court may allow):

- a resolution to approve the Scheme is passed by a majority in number of Brand Architekts Shareholders present and voting (and entitled to vote) at the Court Meeting, either in person or by proxy, representing 75 per cent. or more in value of the Scheme Shares held by those Brand Architekts Shareholders;
- the Resolution necessary to implement the Scheme is passed by the requisite majority of Brand Architekts Shareholders at the General Meeting;
- following the Court Meeting and General Meeting and satisfaction and/or waiver (where applicable) of the other Conditions, the Scheme is sanctioned by the Court (without modification, or with modification on terms agreed by Warpaint and Brand Architekts);
- following such sanction, a copy of the Scheme Court Order is delivered to the Registrar of Companies; and
- the London Stock Exchange having acknowledged to Warpaint that the application for the admission of the New Warpaint Shares to trading on AIM has been approved and that the New Warpaint Shares will be admitted to trading on AIM.

The Conditions in paragraphs 1 and 2 of Appendix 1 to this announcement provide that the Scheme will lapse if:

- the Court Meeting and the General Meeting are not held by the 22<sup>nd</sup> day after the expected date of the Court Meeting and the General Meeting to be set out in the Scheme Document in due course (or such later date, if any, (a) as Warpaint and Brand Architekts may agree or (b) (in a competitive situation) as may be specified by Warpaint with the consent of the Panel, and in each case that (if so required) the Court may allow);
- the Sanction Hearing to approve the Scheme is not held by the 22<sup>nd</sup> day after the expected date of the Sanction Hearing to be set out in the Scheme Document in due course (or such later date as Warpaint may determine with the agreement of Brand Architekts or with the consent of the Panel and the approval of the Court, if such approval is required); or
- the Scheme does not become Effective by 11.59 p.m. on the Long Stop Date (or such later date as Warpaint may determine with the agreement of Brand Architekts or with the consent of the Panel and the approval of the Court, if such approval is required).

If any of the Conditions in paragraphs 1, 2.1(ii), 2.2(ii), 2.3(ii) of Part A of Appendix 1 to this announcement is not capable of being satisfied by the date specified therein, Warpaint shall make an announcement through a Regulatory Information Service as soon as practicable and, in any event, by not later than 8.00 a.m. on the Business Day following the date so specified, stating whether Warpaint has invoked that Condition, (where applicable) waived that Condition or, with the agreement of Brand Architekts, specified a new date by which that Condition must be satisfied.

Once the necessary approvals from Brand Architekts 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 a copy of the Court Order to the Registrar of Companies. Subject to the satisfaction of the Conditions, the Scheme is expected to become Effective during the first quarter of 2025.

Upon the Scheme becoming Effective: (i) it will be binding on all Brand Architekts 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); and (ii) share certificates in respect of Brand Architekts Shares will cease to be valid and entitlements to Brand Architekts Shares held within CREST will be cancelled. In accordance with the applicable provisions of the Takeover Code, the Cash Consideration for the transfer of the Scheme Shares to Warpaint will be despatched and the New Warpaint Shares will be issued no later than 14 days after the Effective Date.

Any Brand Architekts Shares issued before the Scheme Record Time will be subject to the terms of the Scheme. The Resolution to be proposed at the General Meeting will, amongst other matters, provide that the Articles be amended to incorporate provisions requiring any Brand Architekts Shares issued after the Scheme Record Time (including in satisfaction of any options exercised under the Brand Architekts Share Plans, and other than to Warpaint and/or their nominees) to be automatically transferred to Warpaint on the same terms as the Acquisition (other than terms as to timings and formalities). The provisions of the Articles (as amended) will avoid any person (other than Warpaint and their nominees) holding shares in the capital of Brand Architekts after the Effective Date.

Further details of the Scheme, including expected times and dates for each of the Court Meeting, the General Meeting and the Sanction Hearing, together with notices of the Court Meeting and the General Meeting, will be set out in the Scheme Document. It is expected that the Scheme Document, the Forms of Proxy and the Form of Election accompanying the Scheme Document will be published as soon as practicable and in any event within 28 days of this announcement (or such later date as Warpaint and Brand Architekts may, with the consent of the Panel, agree and, if required, the Court may approve).

## **17 DELISTING, AND CANCELLATION OF TRADING AND RE-REGISTRATION OF BRAND ARCHITEKTS**

Prior to the Acquisition becoming Effective, Brand Architekts will make an application to the London Stock Exchange for the cancellation of the admission to trading of Brand Architekts Shares on AIM, to take effect shortly after the Effective Date.

The last day of dealings in the Brand Architekts 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, all of the Brand Architekts Shares will become owned by Warpaint and the share certificates in respect of those Brand Architekts Shares will cease to be valid and of value and should be destroyed. In addition, entitlements to Brand Architekts Shares held within CREST will be cancelled.

It is intended that Brand Architekts will be re-registered as a private limited company as soon as practicable on or following the Effective Date.

## **18 DOCUMENTS**

Copies of the following documents will be available promptly on Warpaint's and Brand Architekts' websites, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, at <https://www.warpaintlondonplc.com/investors/Brand-Architekts-Group-plc> and <https://www.brandarchitektsplc.com/> respectively and in any event by no later than noon on the Business Day following this announcement:

- this announcement;
- the Confidentiality Agreement;
- the Cooperation Agreement;
- the Directors' Loans;
- the presentation for the Placing;
- the irrevocable undertakings referred to in paragraph 9 above and summarised in Appendix 3 to this announcement; and
- the consents from financial advisers to being named in this announcement.

Neither the content of any website referred to in this announcement, nor any website accessible from hyperlinks set out in this announcement, is incorporated into or forms part of this announcement.

## **19 GENERAL**

Warpaint reserves the right to elect (with the consent of the Panel, and subject to the terms of the Cooperation Agreement) to implement the acquisition of the Brand Architekts Shares by way of a Takeover Offer as an alternative to the Scheme. In such event, the Takeover Offer will be implemented on substantially the same terms, so far as is applicable, as those which would apply to the Scheme.

If the Acquisition is effected by way of a Takeover Offer, and such a Takeover Offer becomes or is declared unconditional in all respects and sufficient acceptances are received, Warpaint intends to: (i) make a request to the London Stock Exchange to cancel

the admission to trading of Brand Architekts Shares on AIM; and (ii) exercise its rights to apply the provisions of Chapter 3 of Part 28 of the 2006 Act so as to acquire compulsorily the remaining Brand Architekts Shares in respect of which the Takeover Offer has not been accepted.

Investors should be aware that Warpaint may purchase Brand Architekts Shares otherwise than under the Scheme or any Takeover Offer, including pursuant to privately negotiated purchases.

The Acquisition will be on the terms and subject to the conditions set out herein and in Appendix 1, and to be set out in the Scheme Document. The bases and sources for certain financial information contained in this announcement are set out in Appendix 2. Details of irrevocable undertakings received by Warpaint are set out in Appendix 3. Certain definitions and terms used in this announcement are set out in Appendix 4. The formal Scheme Document will be sent to Brand Architekts Shareholders within 28 days of this announcement (or on such later date as may be agreed between Warpaint and Brand Architekts, with the consent of the Panel).

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

This announcement does not constitute an offer or an invitation to purchase or subscribe for any securities.

## **Enquiries**

<b>Warpaint</b>	<b>c/o IFC Advisory</b>
Sam Bazini (Chief Executive Officer)	
Eoin Macleod (Managing Director)	
Neil Rodol (Chief Financial Officer)	
<b>Shore Capital (Financial Adviser, Nominated Adviser and Broker to Warpaint)</b>	<b>+44 20 7408 4090</b>
Patrick Castle (Corporate Advisory)	
Daniel Bush (Corporate Advisory)	
Lucy Bowden (Corporate Advisory)	
Fiona Conroy (Corporate Broking)	
<b>IFC Advisory (Financial PR &amp; IR)</b>	<b>020 3934 6630</b>
Tim Metcalfe, Graham Herring, Florence Chandler	
<b>Brand Architekts</b>	<b>+44 20 3166 2840</b>
Quentin Higham (Chief Executive Officer)	
Geoff Ellis (Chief Financial Officer)	
<b>Singer Capital Markets (Rule 3 Adviser, Nominated Adviser and Broker to Brand Architekts)</b>	<b>+44 20 7496 3000</b>
Jen Boorer (Investment Banking)	
James Todd (Investment Banking)	



Jalini Kalaravy (Investment Banking)

Fladgate LLP is acting as legal adviser to Warpaint in connection with the Acquisition.

Addleshaw Goddard LLP is acting as legal adviser to Brand Architekts in connection with the Acquisition.

## **Disclaimers**

*Shore Capital and Corporate Limited and Shore Capital Stockbrokers Limited (either individually or collectively "**Shore Capital**"), which are authorised and regulated by the Financial Conduct Authority in the United Kingdom, are acting exclusively for Warpaint and no one else in connection with the matters set out in this announcement and will not regard any other person as their client in relation to such matters and will not be responsible to anyone other than Warpaint for providing the protections afforded to clients of Shore Capital nor for providing advice in relation to the contents of, or any matter referred to in, this announcement or any transaction or arrangement referred to herein. Neither Shore Capital and Corporate Limited nor Shore Capital Stockbrokers Limited, nor any of their subsidiaries or affiliates 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 Shore Capital in connection with this announcement, any statement contained herein, any transaction or arrangement referred to 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 and nominated adviser exclusively to Brand Architekts and no-one else in connection with the matters described in this announcement and will not be responsible to anyone other than Brand Architekts for providing the protections afforded to clients of Singer Capital Markets nor for providing advice in connection with the subject matter of this announcement. Neither Singer Capital Markets nor any of its affiliates (nor any of their respective directors, partners, 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 announcement, any statement contained herein, the Takeover Offer or otherwise. No representation or warranty, express or implied, is made by Singer Capital Markets as to the contents of this announcement.*

## **Further information**

*This announcement is for information purposes only and is not intended to, and does not, constitute, or form part of, an offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Acquisition or otherwise, nor shall there be any sale, issuance or transfer of securities of Brand Architekts in any jurisdiction in contravention of applicable law. The Acquisition will be implemented solely pursuant to the terms of the Scheme Document (or, if the Acquisition is implemented by way of a Takeover Offer, the offer document), which will contain the full terms and conditions of the Acquisition, including details of how to vote in respect of the Acquisition. Any vote in respect of the Scheme or other response in relation to the Acquisition should be made only on the basis of the information contained in the Scheme Document (or, if the Acquisition is implemented by way of a Takeover Offer, the offer document).*

*This announcement does not constitute a prospectus, prospectus equivalent document or exempted document.*

*The statements contained in this announcement are made as at the date of this announcement, unless some other time is specified in relation to them, and publication of this announcement shall not give rise to any implication that there has been no change in the facts set forth in this announcement since such date.*

**If you are in any doubt about the contents of this announcement or the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.**

## **Overseas Shareholders**

*The release, publication or distribution of this announcement in or into jurisdictions other than the UK may be restricted by law and therefore any persons who are subject to the law of any jurisdiction other than the UK should inform themselves of, and observe, any applicable legal or regulatory requirements. Any failure to comply with such requirements 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 Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person. This announcement has been prepared in accordance with and for the purpose of complying with English law, the Takeover Code, the AIM Rules, the Market Abuse Regulation and the Disclosure Guidance and Transparency Rules and information disclosed may not be the same as that which would have been prepared in accordance with the laws of jurisdictions outside England and Wales.*

*The availability of the Acquisition to Brand Architekts Shareholders who are not resident in and citizens of the UK 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 UK 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 Brand Architekts 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 Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person. Further details in relation to Overseas Shareholders will be contained in the Scheme Document.*

*Unless otherwise determined by Warpaint or required by the Takeover Code, and permitted by applicable law and regulation, the Acquisition will not be made available, directly or indirectly, in, into, from, or by the use of mails or any means or instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of, any Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may vote in favour of the Scheme 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 announcement and any formal documentation relating to the Acquisition are not being, and may 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, without limitation, agents, custodians, nominees and trustees) may not mail or otherwise forward, distribute or send the same in or into or from any Restricted Jurisdiction. Doing so may render invalid any related purported vote in respect of the Acquisition. If the Acquisition is implemented by way of a Takeover Offer (unless otherwise permitted by applicable law and regulation), the Takeover Offer may not be made, directly or indirectly, in, into, from, or by the use of mails or any means or instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex 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 Takeover Offer may not be capable of acceptance by any such use, means, instrumentality or facilities.*

*The availability of New Warpaint Shares issued pursuant to the Acquisition to Brand Architekts Shareholders who are not resident in the United Kingdom or the ability of those persons to hold*

*such shares may be affected by the laws or regulatory requirements of the relevant jurisdictions in which they are resident. Persons who are not resident in the United Kingdom should inform themselves of, and observe, any applicable legal or regulatory requirements. Brand Architekts Shareholders who are in any doubt about such matters should consult an appropriate independent professional adviser in the relevant jurisdiction without delay.*

*Further details in relation to Overseas Shareholders will be contained in the Scheme Document.*

### **Notice to US Brand Architekts Shareholders**

*Brand Architekts Shareholders in the United States should note that the Acquisition relates to the securities of a company organised under the laws of England and Wales and is proposed to be effected by means of a scheme of arrangement under the 2006 Act. This announcement, the Scheme Document and certain other documents relating to the Acquisition have been or will be prepared in accordance with English law, the AIM Rules, the Takeover Code and UK disclosure requirements, and the format and style applicable to a scheme of arrangement under the 2006 Act, all of which differ from those in the United States. A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules of Section 14(e) or the proxy solicitation rules of Section 14(a) under the US Exchange Act. Accordingly, the Scheme is subject to the disclosure requirements of and practices applicable in the United Kingdom to schemes of arrangement, which differ from the disclosure requirements and practices of the United States tender offer and proxy solicitation rules.*

*Brand Architekts' financial statements, and all financial information that is included in this announcement or that may be included in the Scheme Document, or any other documents relating to the Acquisition, have been prepared in accordance with the UK adopted International Accounting Standards and may not be comparable to financial statements of companies in the United States or other companies whose financial statements are prepared in accordance with US generally accepted accounting principles. US generally accepted principles differ in certain respects from the UK adopted International Accounting Standards. None of the financial information in this announcement has been audited in accordance with the auditing standards generally accepted in the US or the auditing standards of the Public Company Accounting Oversight Board of the US.*

*The New Warpaint Shares issuable to Eligible Brand Architekts Shareholders under the Scheme have not been and will not be registered under the US Securities Act, and such New Warpaint Shares will be issued to Eligible Brand Architekts Shareholders in reliance on the exemption from registration set forth in Section 3(a)(10) of the US Securities Act. Section 3(a)(10) of the US Securities Act exempts the offer and sale of securities issued in exchange for one or more bona fide outstanding securities from the general requirement of registration where the terms and conditions of the issuance and exchange of such securities have been approved by a court authorized to grant the approval, after a hearing upon the fairness of the terms and conditions of the issuance and exchange at which all persons to whom the securities will be issued have the right to appear and receive timely notice thereof. The Court is authorized to conduct a hearing at which the fairness of the terms and conditions of the Scheme will be considered. Subject to the approval of the Scheme by the Brand Architekts Shareholders at the Court Meeting, a hearing on the Scheme will be held at which all Brand Architekts Shareholders are entitled to appear and be heard. The approval of the Court will constitute the basis for the exemption under Section 3(a)(10) of the US Securities Act for the securities to be exchanged and issued to Eligible Brand Architekts Shareholders pursuant to the Scheme. Before the Sanction Hearing, the Court will be informed of this effect of the approval of the Scheme. The exchange and issuance of the Brand Architekts Shares and New Warpaint Shares to Eligible Brand Architekts Shareholders pursuant to the Scheme will also be exempt from registration under the securities laws of the applicable states of the United States.*

*The Brand Architekts Shares and New Warpaint Shares received pursuant to the Scheme will be freely transferable under United States federal securities laws, except that the US Securities Act*

*imposes restrictions on the resales of those securities by persons who are "affiliates" of Brand Architekts or Warpaint, as the case may be, after the completion of the Scheme or within 90 days before completion of the Scheme. As defined in Rule 144 under the US Securities Act, an "affiliate" of an issuer is a person that directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, the issuer. Usually, this includes the directors, executive officers and significant shareholders of the issuer.*

*It may be difficult for US holders of Brand Architekts Shares to enforce their rights and any claims they may have arising under US federal securities laws in connection with the Acquisition, since Brand Architekts is organised under the laws of a country other than the United States, and some or all of its officers and directors may be residents of countries other than the United States, and most of the assets of Brand Architekts are located outside of the United States. US holders of Brand Architekts Shares may not be able to sue a non-US company or its officers or directors in a non-US court for violations of US federal securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's jurisdiction or judgment.*

*If Warpaint were to elect to implement the Acquisition by means of a Takeover Offer, such Takeover Offer may be made in compliance with applicable US securities laws and regulations including, to the extent applicable, Section 14(e) of the US Exchange Act and Regulation 14E thereunder, and will be made in accordance with the Takeover Code. Such a Takeover Offer may be made in the United States by Warpaint and no one else. Accordingly, the Acquisition may be subject to disclosure and other procedural requirements, including with respect to withdrawal rights, offer timetable, settlement procedures and timing of payments that are different from those applicable under US domestic tender offer procedures and law.*

*The receipt of cash pursuant to the Acquisition by a Brand Architekts Shareholder in the United States as consideration for the transfer of its Brand Architekts Shares pursuant to the Scheme will likely be a taxable transaction for United States federal income tax purposes and under any applicable United States state and local income tax laws. Each Brand Architekts Shareholder in the United States is urged to consult its independent professional tax or legal adviser immediately regarding the US federal, state and local income and non-income tax consequences of the Acquisition applicable to it, as well as any consequences arising under the laws of any other taxing jurisdiction.*

**THE NEW WARPAIN'T SHARES ISSUABLE PURSUANT TO THE SCHEME HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SEC OR THE STATE SECURITIES REGULATORY AUTHORITY OF ANY STATE OF THE UNITED STATES, NOR HAS THE SEC OR THE SECURITIES REGULATORY AUTHORITY OF ANY STATE OF THE UNITED STATES PASSED ON THE ADEQUACY OR ACCURACY OF THIS ANNOUNCEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE.**

### **Forward-Looking Statements**

*This announcement (including information incorporated by reference in this announcement), oral statements made regarding the Acquisition, and other information published by Warpaint and Brand Architekts 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 Warpaint and Brand Architekts 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 announcement include statements relating to the expected effects of the Acquisition on Warpaint and Brand Architekts (including their future prospects, developments and strategies), the expected timing and scope of the Acquisition 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 "prepares", "plans", "expects" or "does*

*not expect”, “is expected”, “is subject to”, “budget”, “projects”, “synergy”, “strategy”, “scheduled”, “goal”, “estimates”, “forecasts”, “cost-saving”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “should”, “would”, “might” or “will” 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 Warpaint’s, any member of the Warpaint Group’s, Brand Architekts’ or any member of the Brand Architekts Group’s operations and potential synergies resulting from the Acquisition; and (iii) the effects of global economic conditions and governmental regulation on Warpaint’s, Brand Architekts’ or any member of the Warpaint Group’s or Brand Architekts Group’s business.*

*Although Warpaint and Brand Architekts believe that the expectations reflected in such forward-looking statements are reasonable, Warpaint and Brand Architekts can give no assurance that such expectations will prove to be correct. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements, and no undue reliance should be placed on any such forward-looking statements.*

*These factors include, but are not limited to: the ability to complete the Acquisition; the ability to obtain requisite regulatory and 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 from the proposed transaction not being realised as a result of changes in general economic and market conditions in the countries in which Warpaint, the Warpaint Group, Brand Architekts and the Brand Architekts Group operate, weak, volatile or illiquid capital and/or credit markets, changes in tax rates, interest rate and currency value fluctuations, the degree of competition in the geographic and business areas in which Warpaint and Brand Architekts 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 Warpaint nor Brand Architekts, 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 announcement will actually occur. You are cautioned not to place any reliance on these forward-looking statements.*

*Other than in accordance with their legal or regulatory obligations, neither Warpaint nor Brand Architekts is under any obligation, and Warpaint and Brand Architekts 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.*

## **Dealing and Opening Position Disclosure Requirements**

*Under Rule 8.3(a) of the Takeover Code, any person who is interested in 1% 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 pm (London time) on the 10<sup>th</sup> business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10<sup>th</sup> 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% 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 pm (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](http://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 announcement and the documents required to be published by Rule 26 of the Takeover Code will be made available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on Warpaint's website at <https://www.warpaintlondonplc.com/investors/Brand-Architekts-Group-plc> and on Brand Architekts' website at <https://www.brandarchitektsplc.com/> by no later than 12 noon (London time) on the Business Day following this announcement. For the avoidance of doubt, neither the content of these websites nor of any website accessible from hyperlinks set out in this announcement is incorporated by reference or forms part of this announcement.

### **No profit forecasts, estimates or quantified financial benefits statements**

No statement in this announcement is intended as a profit forecast, profit estimate or quantified financial benefits statement for any period and no statement in this announcement should be interpreted to mean that earnings or earnings per share for Brand Architekts for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for Brand Architekts.

### **Requesting hard copy documents**

In accordance with Rule 30.3 of the Takeover Code, Brand Architekts Shareholders, persons with information rights and participants in the Brand Architekts Share Plans may request a hard copy

of this announcement, free of charge, by contacting Brand Architekts' registrars, Computershare Investor Services PLC, during business hours on 03707 020 003 within the United Kingdom or on +44 (0) 370 702 0003 from overseas or by submitting a request in writing to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8AE, United Kingdom, 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. For persons who receive a copy of this announcement in electronic form or via a website notification, a hard copy of this announcement will not be sent unless so requested. In accordance with Rule 30.3 of the Takeover Code, such persons may also request that all future documents, announcements and information to be sent to them in relation to the Acquisition should be in hard copy form.

## **Electronic Communications**

Please be aware that addresses, electronic addresses and certain other information provided by Brand Architekts Shareholders, persons with information rights and other relevant persons for the receipt of communications from Brand Architekts may be provided to Warpaint during the offer period as required under Section 4 of Appendix 4 of the Takeover Code to comply with Rule 2.11(c) of the Takeover Code.

## **Rounding**

Certain figures included in this announcement 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 figures that precede them.

## **General**

Warpaint reserves the right to elect to implement the Acquisition by way of a Takeover Offer as an alternative to the Scheme (subject to the Panel's consent and the terms of the Cooperation Agreement). In such event, save as provided in the Takeover Code, the Acquisition will be implemented on substantially the same terms, so far as applicable, as those which will apply to the Scheme, subject to appropriate amendments to reflect, among other things, the change in method of effecting the Acquisition (including, without limitation: (i) the inclusion of an acceptance condition set at 90 per cent. of the Brand Architekts Shares to which such Takeover Offer relates (or such other percentage as Warpaint may, subject to the rules of the Takeover Code and with the consent of the Panel, decide); and (ii) those required by, or deemed appropriate by, Warpaint under applicable law).

In the event that the Acquisition is to be implemented by way of a Takeover Offer, Brand Architekts Shares will be acquired pursuant to the Takeover Offer 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, or any other return of capital (whether by way of reduction of share capital, repurchase, redemption or otherwise) made, by reference to a record date after the Effective Date.

If the Acquisition is effected by way of a Takeover Offer and such Takeover Offer becomes or is declared unconditional and sufficient acceptances are received, Warpaint intends to: (i) request that the London Stock Exchange cancels admission of the Brand Architekts Shares to trading on AIM; and (ii) exercise its rights (to the extent such rights are available) to apply the provisions of Chapter 3 of Part 28 of the 2006 Act to acquire compulsorily the remaining Brand Architekts Shares in respect of which the Takeover Offer has not been accepted.

Investors should be aware that Warpaint may purchase Brand Architekts Shares otherwise than under any Takeover Offer or the Scheme, including pursuant to privately negotiated purchases.

## **Rule 2.9 of the Takeover Code**

*For the purposes of Rule 2.9 of the Takeover Code, Warpaint confirms that, as at 4 December 2024, it had in issue 77,742,723 ordinary shares of 25 pence each. The International Securities Identification Number (“**ISIN**”) for these shares is GB00BYMF3676.*

*For the purposes of Rule 2.9 of the Takeover Code, Brand Architekts confirms that, as at 4 December 2024, it had in issue 27,943,180 ordinary shares of 5 pence each. The ISIN for these shares is GB0008667304.*



**Appendix 1**  
**Conditions and Further Terms of the Acquisition**

**Part A**  
***Conditions to the Scheme and Acquisition***

The Acquisition will be subject to the terms and conditions set out in this Appendix and in the Scheme Document.

**1. Conditions to the Acquisition**

The Acquisition will be conditional on the Scheme becoming unconditional and becoming Effective, subject to the Takeover Code, by no later than 11.59 p.m. (London time) on the Long Stop Date.

**2. Scheme Approval**

The Scheme will be subject to the following conditions:

- 2.1 (i) its approval by a majority in number representing 75 per cent. or more in value of Scheme Shares held by Brand Architekts Shareholders who are on the register of members of Brand Architekts at the Voting Record Time (or the relevant class or classes thereof, if applicable), in each case present, entitled to vote and voting, either in person or by proxy, at the Court Meeting or at any separate class meeting which may be required by the Court (as applicable) or at any adjournment of any such meeting; and
- (ii) 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, (a) as Warpaint and Brand Architekts may agree or (b) (in a competitive situation) as may be specified by Warpaint with the consent of the Panel, and in each case that (if so required) the Court may allow);
- 2.2 (i) the Resolution being duly passed by the requisite majority or majorities at the General Meeting; and
- (ii) the General 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, (a) as Warpaint and Brand Architekts may agree or (b) (in a competitive situation) as may be specified by Warpaint with the consent of the Panel, and in each case that (if so required) the Court may allow); and
- 2.3 (i) the sanction of the Scheme by the Court with or without modification (but subject to any such modification being agreed by Warpaint and Brand Architekts) and the delivery of a copy of the Court Order to the Registrar of Companies; and
- (ii) the Sanction Hearing being held on or before the 22nd day after the expected date of the Sanction Hearing to be set out in the Scheme Document in due course (or such later date, if any, (a) as Warpaint and Brand Architekts may agree or (b) (in a competitive situation) as may be specified by Warpaint with the consent of the Panel, and in each case that (if so required) the Court may allow).

In addition, Warpaint and Brand Architekts have agreed that, subject as stated in Part B below and to the requirements of the Panel and the Takeover Code, the Acquisition will be conditional on the following Conditions and, accordingly, the necessary actions to make the Scheme Effective will not be taken unless the following Conditions (as amended if appropriate) have been satisfied or, where relevant, waived:

### 3. Admission of New Warpaint Shares

The London Stock Exchange having acknowledged to Warpaint or its agent (and such acknowledgment not having been withdrawn) that the application for the admission of the New Warpaint Shares to trading on AIM has been approved and (after satisfaction of any conditions to which such approval is expressed to be subject (**admission conditions**)) will become effective as soon as a dealing notice has been issued by the London Stock Exchange and any admission conditions have been satisfied.

### 4. Third Party clearances

4.1 The waiver (or non-exercise within any applicable time limits) by any Relevant Authority or any other body or person whatsoever in any jurisdiction (each a **Third Party**) of any termination right, right of pre-emption, first refusal or similar right (which is material in the context of the Wider Brand Architekts Group taken as a whole or in the context of the Acquisition) arising as a result of or in connection with the Acquisition including, without limitation, its implementation and financing or the proposed direct or indirect acquisition of any shares or other securities in, or control or management of, Brand Architekts by Warpaint or any member of the Wider Warpaint Group.

4.2 All necessary filings or applications having been made in connection with the Acquisition and all mandatory statutory or regulatory obligations in any jurisdiction having been complied with in connection with the Acquisition or the acquisition by any member of the Wider Warpaint Group of any shares or other securities in, or control of, Brand Architekts and all material Authorisations (being Authorisations where the direct consequence of a failure to obtain such Authorisation would be unlawful in any relevant jurisdiction or have a material adverse effect on the Wider Brand Architekts Group or the ability of Warpaint to implement the Acquisition) necessary for or in respect of the Acquisition including without limitation, its implementation or the proposed direct or indirect acquisition of any shares or other securities in, or control of, Brand Architekts or any member of the Wider Brand Architekts Group by any member of the Wider Warpaint Group having been obtained in terms and in a form reasonably satisfactory to Warpaint from all appropriate Third Parties or persons with whom any member of the Wider Brand Architekts Group has entered into contractual arrangements and all such material Authorisations necessary to carry on the business of any member of the Wider Brand Architekts Group which is material in the context of the Wider Warpaint Group or the Wider Brand Architekts Group, in either case taken as a whole, or for or in respect of the Acquisition, including without limitation its implementation, remaining in full force and effect 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 Acquisition becomes otherwise unconditional.

4.3 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 may reasonably be expected to:

- 4.3.1 require, prevent or materially delay the divestiture, or materially alter the terms envisaged for any proposed divestiture by any member of the Wider Warpaint Group or any member of the Wider Brand Architekts 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, control or manage any of their respective assets or properties or any part thereof which, in any such case, is material in the context of the Wider Warpaint Group or the Wider Brand Architekts Group in either case taken as a whole or in the context of the Acquisition;
- 4.3.2 require, prevent or materially delay the proposed divestiture by any member of the Wider Warpaint Group of any shares or other securities in Brand Architekts;
- 4.3.3 impose any material limitation on, or result in a material delay in, the ability of any member of the Wider Warpaint Group directly or indirectly to acquire or to hold or to exercise effectively, directly or indirectly, all or 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 Brand Architekts Group or to exercise voting or management control over any such member, in each case to an extent which is material in the context of the Wider Brand Architekts Group taken as a whole or in the context of the Acquisition;
- 4.3.4 otherwise adversely affect the business, assets, profits or prospects of any member of the Wider Warpaint Group or of any member of the Wider Brand Architekts Group to an extent which is material in the context of the Wider Warpaint Group or the Wider Brand Architekts Group in either case taken as a whole or in the context of the Acquisition;
- 4.3.5 make the Acquisition or its implementation or the acquisition or proposed acquisition by Warpaint or any member of the Wider Warpaint Group of any shares or other securities in, or control of, Brand Architekts void, illegal, and/or unenforceable under the laws of any relevant jurisdiction, or otherwise, directly or indirectly, restrain, restrict, prohibit or materially delay the same, or impose material additional conditions or obligations with respect thereto;
- 4.3.6 require (save as envisaged in connection with the Acquisition or, if applicable, sections 974 to 991 (inclusive) of the 2006 Act) any member of the Wider Warpaint Group or the Wider Brand Architekts Group to offer to acquire any shares or other securities (or the equivalent) or interest in any member of the Wider Brand Architekts Group or the Wider Warpaint Group owned by any Third Party, in each case to an extent which is material in the context of the Wider Warpaint Group or the Wider Brand Architekts Group in either case taken as a whole or in the context of the Acquisition;
- 4.3.7 impose any limitation on the ability of any member of the Wider Warpaint Group to integrate, conduct or co-ordinate its business, or any part of it, with the businesses or any part of the businesses of any member of the Wider Brand Architekts Group which is adverse to and material in the context of the Wider Brand Architekts Group or the Wider Warpaint

Group in each case taken as a whole or in the context of the Acquisition;  
or

4.3.8 result in any member of the Wider Brand Architekts Group ceasing to be able to carry on business under any name under which it presently does so to an extent which is material in the context of the Wider Brand Architekts Group taken as a whole or in the context of the Acquisition,

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 Acquisition or the acquisition or proposed acquisition of any Brand Architekts Shares having expired, lapsed or been terminated.

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

Except as Disclosed, there being no provision of any agreement, arrangement, licence, permit or other instrument to which any member of the Wider Brand Architekts Group is a party or by or to which any such member or any of its assets are or may be bound, entitled or subject, or any circumstance which, in each case as a consequence of the Acquisition or the proposed acquisition of any shares or other securities (or equivalent) in Brand Architekts or because of a change in the control or management of Brand Architekts or otherwise, could or might reasonably be expected to result in (in each case to an extent which is or would be material and adverse in the context of the Wider Brand Architekts Group, taken as a whole, or in the context of the Acquisition):

- 5.1 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 monies or incur any indebtedness being withdrawn or inhibited or being capable of becoming or being withdrawn or inhibited;
- 5.2 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 adverse action being taken or arising thereunder;
- 5.3 any assets or interests 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;
- 5.4 the creation, other than as Disclosed, 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 or any such mortgage, charge or other security interest (whenever arising or having arisen) becoming enforceable;
- 5.5 the rights, liabilities, obligations or interests of any such member in, 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;
- 5.6 the value of any such member or its financial or trading position or prospects being prejudiced or adversely affected;

- 5.7 any such member ceasing to be able to carry on business under any name under which it presently does so;
- 5.8 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 Acquisition; or
- 5.9 any requirement on any such member to acquire, subscribe, pay up or repay any shares or other securities (or the equivalent),

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 Brand Architekts 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 paragraphs 5.1 to 5.9 of this Condition (in each case to an extent which is or would be material and adverse in the context of the Wider Brand Architekts Group, taken as a whole, or in the context of the Acquisition).

## **6. Certain events occurring since Last Accounts Date**

Except as Disclosed, no member of the Wider Brand Architekts Group having, since the Last Accounts Date:

- 6.1 save as between Brand Architekts and wholly-owned subsidiaries of Brand Architekts or for Brand Architekts Shares issued under or pursuant to the exercise of options and vesting of awards granted under the Brand Architekts Share Plans in the ordinary course, issued or agreed to issue, authorised or proposed the issue of additional shares of any class;
- 6.2 save as between Brand Architekts and wholly-owned subsidiaries of Brand Architekts or for the grant of options and awards and other rights under the Brand Architekts Share Plans in the ordinary course, 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;
- 6.3 other than to another member of the Wider Brand Architekts Group, sold (or agreed to transfer or sell) any treasury shares;
- 6.4 other than to another member of the Brand Architekts Group, before completion of the Acquisition, recommended, declared, paid or made or proposed to recommend, declare, pay or make any bonus issue, dividend or other distribution whether payable in cash or otherwise;
- 6.5 save for intra-Brand Architekts Group transactions, authorised, implemented or announced any merger or demerger 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, acquisition or 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 Brand Architekts Group taken as a whole or in the context of the Acquisition;
- 6.6 other than in the ordinary course of business, disposed of or agreed to dispose of any property, or, other than in the ordinary course of business, granted or entered

- into any agreement to grant any lien, equitable interest, charge, encumbrance or other third party right over any such property;
- 6.7 save for intra-Brand Architekts Group transactions, made or authorised or proposed or announced an intention to propose any change in its loan capital to the extent which is material in the context of the Wider Brand Architekts Group taken as a whole or in the context of the Acquisition;
  - 6.8 issued, authorised or proposed the issue of, or made any change in or to, any debentures or (save for intra-Brand Architekts Group transactions or save in the ordinary course of business) incurred or increased any indebtedness or become subject to any liability (actual or contingent);
  - 6.9 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 paragraph 6.1 or 6.2 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 Brand Architekts Group taken as a whole or in the context of the Acquisition;
  - 6.10 other than pursuant to the Acquisition and except for intra-Brand Architekts 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;
  - 6.11 been unable or, or admitted in writing that it is unable, to pay its debts as they fall due 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;
  - 6.12 (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 (voluntary or otherwise), dissolution or reorganisation or for the appointment of a receiver, administrative receiver, administrator, manager, trustee or similar officer of all or any 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 Brand Architekts Group taken as a whole or in the context of the Acquisition;
  - 6.13 commenced negotiations with any of its creditors or taken any step with a view to rescheduling or restructuring any of its indebtedness or entered into a composition, compromise, assignment or arrangement with any of its creditors whether by way of a voluntary arrangement, scheme of arrangement, deed of compromise or otherwise;
  - 6.14 waived, settled or compromised any claim otherwise than in the ordinary course of business which is material in the context of the Wider Brand Architekts Group taken as a whole or in the context of the Acquisition;
  - 6.15 entered into, varied or authorised, or proposed or announced its intention to enter into or vary any agreement, contract, transaction, arrangement or commitment (whether in respect of capital expenditure or otherwise) which:
    - 6.15.1 is of a long-term, onerous or unusual nature or magnitude (save in the ordinary course of business); or

6.15.2 involves or could reasonably be expected to involve an obligation which is materially restrictive on the business of any member of the Wider Brand Architekts Group other than of a nature and extent which is normal in the context of the business concerned,

and, in either case, which is or would reasonably be expected to be material and adverse in the context of the Wider Brand Architekts Group taken as a whole or in the context of the Acquisition;

6.16 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 6;

6.17 made any material alteration to its constitutional documents;

6.18 except in relation to changes made or agreed as a result of, or arising from, law or changes to law, made or agreed or consented to any change to:

6.18.1 the terms of the trust deeds constituting the pension scheme(s) established by any member of the Wider Brand Architekts Group for its directors, employees or their dependents;

6.18.2 the contributions payable to any such scheme(s) or to the benefits which accrue or to the pensions which are payable thereunder;

6.18.3 the basis on which qualification for, or accrual or entitlement to, such benefits or pensions are calculated or determined; or

6.18.4 the basis upon which the liabilities (including pensions) of such pension schemes are funded, valued or made,

in each case, which has an effect that is material in the context of the Wider Brand Architekts Group taken as a whole or in the context of the Acquisition;

6.19 proposed, agreed to provide or modified the terms of any of the Brand Architekts Share Plans 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 Brand Architekts Group or which constitutes a material change to the terms or conditions of employment of any senior employee of the Wider Brand Architekts Group, save as agreed by the Panel (if required) and by Warpaint, or entered into or changed the terms of any contract with any director or senior executive;

6.20 other than with the consent of Warpaint, taken (or agreed or proposed to take) any action which requires, or would require, the consent of the Panel or the approval of Brand Architekts Shareholders in a general meeting in accordance with, or as contemplated by, Rule 21.1 of the Takeover Code; or

6.21 save to the extent arising as a result of any change in applicable law, entered into or varied in a material way the terms of any contract, agreement or arrangement with any of the directors or senior executives of any member of the Wider Brand Architekts Group (save for salary increases in the ordinary course), other than as agreed by Warpaint and (if required) by the Panel.

## **7. No adverse change, litigation or regulatory enquiry**

Except as Disclosed, since the Last Accounts Date:

- 7.1 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 Brand Architekts Group which, in any such case, is material in the context of the Wider Brand Architekts Group taken as a whole or in the context of the Acquisition;
- 7.2 no litigation, arbitration proceedings, prosecution or other legal proceedings to which any member of the Wider Brand Architekts Group is or is reasonably likely to 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 Brand Architekts Group having been instituted, announced, implemented or threatened by or against or remaining outstanding in respect of any member of the Wider Brand Architekts Group which in any such case has had or might reasonably be expected to have a material adverse effect on the Wider Brand Architekts Group taken as a whole or in the context of the Acquisition;
- 7.3 no contingent or other liability of any member of the Wider Brand Architekts Group having arisen or become apparent to Warpaint or increased which has had or might reasonably be expected to have a material adverse effect on the Wider Brand Architekts Group, taken as a whole or in the context of the Acquisition;
- 7.4 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 Brand Architekts Group which in any case is material in the context of the Wider Brand Architekts Group taken as a whole;
- 7.5 no member of the Wider Brand Architekts Group having conducted its business in breach of any applicable laws and regulations which in any case is material in the context of the Wider Brand Architekts Group taken as a whole or in the context of the Acquisition; and
- 7.6 no steps having been taken which are likely to result in the withdrawal, cancellation, termination or materially adverse modification of any licence or permit held by any member of the Wider Brand Architekts Group which is necessary for the proper carrying on of its business and the withdrawal, cancellation, termination or materially adverse modification of which has had, or would reasonably be expected to have, an adverse effect which is material in the context of the Wider Brand Architekts Group taken as a whole or in the context of the Acquisition.

## **8. No discovery of certain matters**

Except as Disclosed, Warpaint not having discovered:

- 8.1 that any financial, business or other information concerning the Wider Brand Architekts Group as contained in the information publicly disclosed at any time since the Last Accounts Date prior to the date of this announcement by or on behalf of any member of the Wider Brand Architekts Group is materially misleading, contains a material misrepresentation of fact or omits to state a fact necessary to make that information not materially misleading and which was not subsequently corrected before the date of this announcement by disclosure either publicly or otherwise to Warpaint or its professional advisers, in each case, to the extent which is material in the context of the Wider Brand Architekts Group taken as a whole or in the context of the Acquisition;
- 8.2 that any member of the Wider Brand Architekts Group or partnership, company or other entity in which any member of the Wider Brand Architekts Group has a



significant economic interest and which is not a subsidiary undertaking of Brand Architekts, is subject to any liability (actual or contingent) which is not disclosed in the annual report and accounts of Brand Architekts for the financial year ended 30 June 2024, in each case, to the extent which is material in the context of the Wider Brand Architekts Group taken as a whole or in the context of the Acquisition; or

- 8.3 any information which affects the import of any information disclosed at any time by or on behalf of any member of the Wider Brand Architekts Group and which is material in the context of the Wider Brand Architekts Group taken as a whole or in the context of the Acquisition.

## **9. Anti-corruption, economic sanctions, criminal property and money laundering**

Save as Disclosed, Warpaint not having discovered that:

- 9.1 9.1.1 any past or present member, director, officer or employee of the Wider Brand Architekts 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
- 9.1.2 any person that performs or has performed services for or on behalf of the Wider Brand Architekts 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 legislation or anti-bribery law, rule or regulation or any other applicable law, rule or regulation concerning improper payments or kickbacks;
- 9.2 any asset of any member of the Wider Brand Architekts 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 Brand Architekts Group is found to have engaged in activities constituting money laundering under any applicable law, rule or regulation concerning money laundering;
- 9.3 any past or present member, director, officer or employee of the Brand Architekts Group, or any other person for whom any such person may be liable or responsible, is or has engaged in any conduct which would violate applicable economic sanctions or dealt with, made any investments in, made any funds or assets available to or received any funds or assets from:
- 9.3.1 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
- 9.3.2 any government, entity or individual targeted by any of the economic sanctions of the United Nations, the US, the UK, 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;

- 9.4 any past or present member, director, officer or employee of the Wider Brand Architekts Group, or any other person for whom any such person may be liable or responsible:
  - 9.4.1 has engaged in conduct which would violate any relevant anti-terrorism laws, rules, or regulations, including but not limited to the US Anti-Terrorism Act;
  - 9.4.2 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 US Department of Commerce or the International Traffic in Arms Regulations administered and enforced by the US Department of State;
  - 9.4.3 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
  - 9.4.4 is debarred or otherwise rendered ineligible to bid for or to perform contracts for or with any Relevant Authority or found to have violated any applicable law, rule or regulation concerning government contracting or public procurement; or
- 9.5 any member of the Wider Brand Architekts Group is or has been engaged in any transaction with any government, entity or individual targeted by any of the economic sanctions of the United Nations, the US, the European Union or any other Relevant Authority, or which would cause Warpaint to be in breach of any law or regulation upon its acquisition of Brand Architekts, including but not limited to the economic sanctions of the United States Office of Foreign Assets Control or HM Revenue & Customs in the UK or any other Relevant Authority.

**Part B**  
***Further terms of the Acquisition***

1. Subject to the requirements of the Panel and the Takeover Code, Warpaint 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 of Appendix 1, except Conditions 1, 2.1(i), 2.2(i), 2.3(i) and 3 which cannot be waived. The deadlines in any of Conditions 2.1(ii), 2.2(ii) and 2.3(ii) may be extended to such later date as Warpaint may determine (with the Panel's consent and, if such approval is required, approval of the Court). If any of Conditions 1, 2.1(ii), 2.2(ii) or 2.3(ii) is not satisfied by the relevant deadline specified in the relevant Condition, Warpaint shall make an announcement by 8.00 a.m. on the Business Day following such deadline confirming whether, subject to paragraph 3 below, it has invoked the relevant Condition, waived the relevant deadline or agreed with Brand Architekts to extend the relevant deadline in relation to the relevant Condition.
2. Warpaint shall be under no obligation to waive (if capable of waiver), to determine to be or remain satisfied or to treat as fulfilled any of the Conditions in Part A of Appendix 1 above by a date earlier than the latest date for the fulfilment of that Condition notwithstanding that the other Conditions of the Acquisition may at such earlier date have been waived or fulfilled and that there are at such earlier date no circumstances indicating that any of such Conditions may not be capable of fulfilment.
3. Under Rule 13.5(a) of the Takeover Code and subject to paragraph 4, Warpaint may only invoke a Condition so as to cause the Acquisition not to proceed, to lapse or to be withdrawn with the consent of the Panel. The Panel will normally only give its consent if the circumstances which give rise to the right to invoke the Condition are of material significance to Warpaint in the context of the Acquisition. This will be judged by reference to the facts of each case at the time that the relevant circumstances arise.
4. Conditions 1, 2 and 3 in Part A of Appendix 1 above, and, if applicable, any Takeover Offer acceptance condition adopted on the basis specified in this Part B, are not subject to Rule 13.5(a) of the Takeover Code.
5. Any Condition that is subject to Rule 13.5(a) of the Takeover Code may be waived by Warpaint.
6. Save as disclosed in this announcement, there is no agreement or arrangement to which Warpaint is a party which relates to the circumstances in which it may or may not invoke a Condition.
7. If the Panel requires Warpaint to make an offer or offers for Brand Architekts Shares under the provisions of Rule 9 of the Takeover Code, Warpaint may make such alterations to the Conditions as are necessary to comply with the provisions of that Rule.
8. Warpaint reserves the right to elect to implement the Acquisition by way of a Takeover Offer as an alternative to the Scheme (subject to the Panel's consent and the terms of the Cooperation Agreement. In such event, such Takeover Offer will be implemented on the same terms and conditions so far as is applicable, as those which would apply to the Scheme (subject to appropriate amendments and the inclusion of an acceptance condition set at 90 per cent. of the Brand Architekts Shares (or such other percentage as Warpaint and Brand Architekts may agree and, where applicable with the consent of the Panel and in accordance with the terms of the Cooperation Agreement, being in any case more than 50 per cent. of the voting rights normally exercisable at a general meeting of Brand Architekts)).
9. The Acquisition will be subject, among other things, to the Conditions and certain further terms which are set out in this Appendix 1 and to the full terms which will be set out in the

Scheme Document and such further terms as may be required to comply with the provisions of the AIM Rules, the provisions of the Takeover Code and the applicable requirements of the Panel and the London Stock Exchange.

10. In the event that the Acquisition is to be implemented by way of a Takeover Offer, Brand Architekts Shares will be acquired pursuant to the Takeover Offer 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, or any other return of capital (whether by way of reduction of share capital, repurchase, redemption or otherwise) made, by reference to a record date after the Effective Date. If, on or after the date of this announcement and prior to the Acquisition becoming Effective, any dividend, distribution and/or other return of capital or value is announced, declared, made or paid in respect of the Brand Architekts Shares, Warpaint reserves the right to reduce the consideration payable pursuant to the Cash Offer (and, as the case may be, the exchange ratio in relation to the Alternative Share Offer) by the aggregate amount of all or part of any such dividend, distribution and/or other return of capital or value, in which case any reference in this announcement to the consideration payable under the terms of the Acquisition will be deemed to be a reference to the consideration as so reduced. In such circumstances, Brand Architekts Shareholders would be entitled to receive and retain any such dividend, distribution and/or return of capital or value. Any exercise by Warpaint of its rights referred to in this paragraph 10 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 Acquisition.
11. Fractions of the New Warpaint Shares will not be allotted or issued pursuant to the Acquisition, but entitlements of Scheme Shareholders will be rounded down to the nearest whole number of New Warpaint Shares and all fractions of New Warpaint Shares will be aggregated and sold in the market as soon as practicable after the Effective Date. The net proceeds of such sale (after deduction of broking fees and other sale costs and expenses, together with any tax or foreign exchange conversion fees payable on the sale) will be distributed in due proportions to Scheme 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 £10.00 will be retained for the benefit of the Enlarged Warpaint Group. The New Warpaint Shares will be issued credited as fully paid and will rank pari passu in all respects with the existing New Warpaint Shares issued and outstanding at the time the New Warpaint Shares are issued pursuant to the Acquisition, including the right to receive and retain in full all dividends and other distributions (if any) announced, declared, made or paid, or any other return of capital (whether by reduction of share capital or share premium account or otherwise) made, in each case, by reference to a record date falling on or after the Effective Date. Applications will be made to the London Stock Exchange for the New Warpaint Shares to be admitted to trading on AIM.
12. The availability of the Acquisition to persons not resident in the United Kingdom may be affected by the laws or regulatory requirements of the relevant jurisdictions. Persons who are not resident in the United Kingdom should inform themselves about and observe any applicable requirements.
13. This announcement and any rights or liabilities arising hereunder, the Acquisition, the Scheme, the Forms of Proxy and the Form of Election will be governed by the laws of England and Wales and be subject to the jurisdiction of the Court, to the Conditions set out above and full terms to 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 Takeover Code. The Acquisition and Scheme will comply with the applicable requirements of the 2006 Act, the Takeover Code, the Panel, the FCA, the Court, the London Stock Exchange, the AIM Rules and the Registrar of Companies. This Announcement does not constitute, or form part of,

an offer or invitation to purchase Brand Architekts Shares, Warpaint Shares or any other securities.

14. Each of the Conditions shall be regarded as a separate Condition and shall not be limited by reference to any other Condition.

## **Appendix 2**

### **Sources and Bases of Information**

In this announcement, unless otherwise stated or the context otherwise requires, the following sources and bases have been used.

1. The fully diluted issued ordinary share capital of 28,918,180 Brand Architekts Shares is based on:
  - a) 27,943,180 Brand Architekts Shares in issue as at 4 December 2024 (being the last Business Day before date of this announcement); plus
  - b) 975,000 Brand Architekts Shares which may be issued after the date of this announcement to satisfy the exercise of options or vesting award pursuant to the Brand Architekts Share Plans.
2. The Cash Consideration of 48 pence per Brand Architekts Share is calculated on the basis of the entire issued and to be issued ordinary share capital of Brand Architekts (as set out in paragraph 1 above).
3. Unless otherwise stated, all prices for Warpaint Shares and Brand Architekts Shares, and all premia thereon, have been derived from data provided by FactSet with reference to the Closing Prices on the relevant date(s).
4. The average prices have been derived from FactSet data and have been rounded to two decimal places.
5. Unless otherwise stated, the financial information relating to Warpaint is extracted (without material adjustment) from: (i) the interim results for the Warpaint Group for the six months ended 30 June 2024; and (ii) the annual report and financial statements for the Warpaint Group for the year ended 31 December 2023.
6. Unless otherwise stated, the financial information relating to Brand Architekts is extracted (without material adjustment) from the annual reports and financial statements for the Brand Architekts Group for the years ended 30 June 2023 and 30 June 2024.
7. The enlarged share capital of Warpaint immediately following the Acquisition has been calculated as the sum of:
  - a) the current share capital of Warpaint of 77,742,723 ordinary shares; plus
  - b) up to 1,932,111 New Warpaint Shares, which may be issued under the terms of the Alternative Share Offer to Eligible Brand Architekts Shareholders (excluding any Brand Architekts Shares that might have been receivable by Peter Gyllenhammar who has already elected to receive the Cash Offer in respect of his beneficial interests in Brand Architekts Shares).

For the avoidance of doubt, the above figures do not include any Warpaint Shares issued in connection with the Warpaint Fundraising.

8. Certain figures included in this announcement have been subject to rounding adjustments.

### Appendix 3 Details of Irrevocable Undertakings

#### 1. Brand Architekts Directors

The following Brand Architekts Directors have given irrevocable undertakings to vote (or instruct the voting, as applicable) in favour of the resolutions relating to the Acquisition at the Meetings or, in the event that the Acquisition is implemented by way of a Takeover Offer, to accept (or instruct the acceptance of) such Takeover Offer in respect of their own beneficial holdings of Brand Architekts Shares:

Name	Total Number of Brand Architekts Shares	Percentage of existing issued ordinary share capital of Brand Architekts
Quentin Higham	37,037	0.13
Christopher How*	196,686	0.70
Roger McDowell	1,676,490	6.00
<b>Total</b>	<b>1,910,213</b>	<b>6.84</b>

*\* includes 87,216 Brand Architekts Shares held by Christopher How's close relatives*

These irrevocable undertakings remain binding in the event a competing offer is made for Brand Architekts.

The obligations of the Brand Architekts Directors under the irrevocable undertakings given by them shall lapse and cease to have effect on and from the earlier of the following occurrences:

- 1.1 where the Scheme (or Takeover Offer as applicable) is withdrawn or lapses in accordance with its terms;
- 1.2 if any competing offer for the entire issued and to be issued share capital of Brand Architekts becomes unconditional (if implemented by way of a takeover offer) or becomes effective (if implemented by way of a scheme of arrangement); or
- 1.3 if Warpaint announces that it does not intend to proceed with the Acquisition and no new, revised or replacement Scheme or Takeover Offer is announced by Warpaint in accordance with Rule 2.7 of the Takeover Code at the same time.

These irrevocable undertakings also extend to any Brand Architekts Shares acquired by the Brand Architekts Directors, whether as a result of the exercise of options under the Brand Architekts Share Plans or otherwise.

#### 2. Brand Architekts Shareholders

Peter Gyllenhammar

In addition to the Brand Architekts Directors, Peter Gyllenhammar has given an irrevocable undertaking to vote (or procure the voting, as applicable) in favour of the resolutions relating to the Acquisition at the Meetings or, in the event the Acquisition is implemented

by way of a Takeover Offer, to accept (or procure the acceptance of) such Takeover Offer in respect of his beneficial interests in Brand Architekts Shares:

<b>Name</b>	<b>Total Number of Brand Architekts Shares</b>	<b>Percentage of existing issued ordinary share capital</b>
Peter Gyllenhammar	6,850,257	24.51
<b>Total</b>	<b>6,850,257</b>	<b>24.51</b>

This irrevocable undertaking remains binding in the event a competing offer is made for Brand Architekts.

The obligations of Peter Gyllenhammar under the irrevocable undertaking given by him shall lapse and cease to have effect on and from the earlier of the following occurrences:

- 2.1 where the Scheme (or Takeover Offer as applicable) is withdrawn or lapses in accordance with its terms;
- 2.2 if any competing offer for the entire issued and to be issued share capital of Brand Architekts becomes unconditional (if implemented by way of a takeover offer) or becomes effective (if implemented by way of a scheme of arrangement); or
- 2.3 if Warpaint announces that it does not intend to proceed with the Acquisition and no new, revised or replacement Scheme or Takeover Offer is announced by Warpaint in accordance with Rule 2.7 of the Takeover Code at the same time.

Peter Gyllenhammar has irrevocably elected to accept the Cash Consideration in respect of his beneficial interests in Brand Architekts Shares, and has undertaken to vote against any competing proposal to acquire the entire issued, and to be issued, ordinary share capital of Brand Architekts.

Peter Gyllenhammar is permitted to sell or dispose of Brand Architekts shares to a close relative or as part of his bona fide tax planning, provided that prior to such sale: (i) Warpaint has given its prior written consent and (ii) the intended transferee or beneficiary enters into and delivers an irrevocable undertaking to Warpaint on terms no less favourable than the irrevocable undertaking entered into by Peter Gyllenhammar.

This irrevocable undertaking also binds Peter Gyllenhammar's close relatives and related trusts, although they do not, as at the time of this announcement, hold any Brand Architekts securities.



## **Appendix 4 Definitions**

The following definitions apply throughout this document unless the context otherwise requires:

<b>“2006 Act”</b>	the Companies Act 2006, as amended from time to time
<b>“2024 Brand Architekts Annual Report”</b>	the annual report and audited accounts of the Brand Architekts Group for the year ended 30 June 2024
<b>“Acquisition”</b>	the proposed acquisition by Warpaint of the entire issued, and to be issued, ordinary share capital (other than the Excluded Shares) of Brand Architekts by means of the Scheme, on the terms and subject to the Conditions set out in this announcement and to be set out in the Scheme Document, or should Warpaint so elect (subject to the consent of the Panel and the terms of the Cooperation Agreement), by means of a Takeover Offer
<b>“AIM”</b>	the market of that name operated by the London Stock Exchange
<b>“AIM Rules”</b>	the AIM Rules for Companies published by the London Stock Exchange (as amended from time to time)
<b>“Alternative Share Offer”</b>	the facility under which Eligible Brand Architekts Shareholders are entitled to elect to receive New Warpaint Shares in respect of their holdings of Brand Architekts Shares instead of the Cash Consideration
<b>“Articles”</b>	the articles of association of Brand Architekts from time to time
<b>“associated undertaking”</b>	shall be construed in accordance with paragraph 19 of Schedule 6 to The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410) but for this purpose ignoring paragraph 19(1)(b) of Schedule 6 to those regulations
<b>“Authorisations”</b>	authorisations, orders, grants, recognitions, determinations, confirmations, consents, licences, clearances, permissions, exemptions or approvals, in each case of a Third Party
<b>“Blocking Law”</b>	(i) any provision of Council Regulation (EC) No 2271/1996 of 22 November 1996 (or any law or regulation implementing such Regulation in any member state of the European Union); or (ii) any provision of Council Regulation (EC) No 2271/1996 of 22 November 1996, as it forms part

of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018

<b>“Brand Architekts”</b>	Brand Architekts PLC
<b>“Brand Architekts Directors”, “Brand Architekts Board” or “Board of Brand Architekts”</b>	the directors of Brand Architekts as at the date of this announcement or, where the context so requires, the directors of Brand Architekts from time to time
<b>“Brand Architekts Group”</b>	Brand Architekts and its subsidiary undertakings from time to time (and where the context permits, each of them)
<b>“Brand Architekts Pension Scheme”</b>	the Aerosols International Limited Pension Plan
<b>“Brand Architekts Share(s)”</b>	the ordinary shares of 5 pence each in the capital of Brand Architekts
<b>“Brand Architekts Shareholder(s)”</b>	holders of Brand Architekts Shares
<b>“Brand Architekts Share Plans”</b>	the Brand Architekts’ 2023 Long Term Share Incentive Plan adopted on 5 June 2023, and the Brand Architekts 2017 Company Share Option Plan adopted on 24 May 2017, each as amended from time to time
<b>“Business Day”</b>	a day, not being a public holiday, Saturday or Sunday, on which clearing banks in London are open for normal business
<b>“Cash Offer”</b>	the offer for each Brand Architekts Share of 48 pence in cash under the terms of the Acquisition
<b>“Cash Consideration”</b>	48 pence in cash per Brand Architekts Share
<b>“certificated” or “certificated form”</b>	in relation to a share or other security, a share or other security title which is recorded in the relevant register of the share or other security as being held in certificated form (that is, not in CREST)
<b>“Closing Price”</b>	the closing middle market price of a Brand Architekts Share as derived from FactSet on any particular date
<b>“Cooperation Agreement”</b>	the agreement dated 5 December 2024 between Warpaint and Brand Architekts relating to, among other things, the implementation of the Acquisition, as described in paragraph 12 of this announcement
<b>“Condition”</b>	each of the conditions listed in Part A of Appendix 1 and any reference to a numbered Condition shall be a reference to the Condition set

	out in the paragraph of Part A of Appendix 1 bearing such number
<b>“Confidentiality Agreement”</b>	the confidentiality agreement dated 10 October 2024 between Warpaint and Brand Architekts, as described in paragraph 13 of this announcement
<b>“Court”</b>	the High Court of Justice in England and Wales
<b>“Court Meeting”</b>	the meeting or meetings of Scheme Shareholders to be convened by an order of the Court pursuant to section 896 of the 2006 Act, notice of which will be set out in the Scheme Document, at which a resolution will be proposed for the purpose of considering and, if thought fit, approving the Scheme (with or without amendment), including any adjournment thereof
<b>“Court Order”</b>	the order of the Court sanctioning the Scheme under section 899 of the 2006 Act
<b>“CREST”</b>	the relevant system (as defined in the Regulations) in respect of which Euroclear is the operator (as defined in CREST)
<b>“Daily Official List”</b>	the daily official list of the London Stock Exchange
<b>“Dealing Disclosure”</b>	an announcement pursuant to Rule 8 of the Code containing details of dealings in interests in relevant securities of a party to an offer
<b>“Directors’ Loans”</b>	has the meaning given in paragraph 11 (Financing of the Acquisition) of this announcement
<b>“Disclosed”</b>	the information: (a) disclosed by or on behalf of Brand Architekts: (i) in the 2024 Brand Architekts Annual Report; (ii) in this announcement; or (iii) in any other announcement to a Regulatory Information Service by or on behalf of Brand Architekts in the two calendar years prior to the date of this announcement; or (b) fairly disclosed in writing (including via the virtual data room operated by or on behalf of Brand Architekts in respect of the Acquisition) or orally in meetings and calls by Brand Architekts management prior to the date of this announcement to Warpaint or Warpaint’s officers, employees and advisers (in their capacity as such)
<b>“Disclosure Guidance and Transparency Rules”</b>	the Disclosure Guidance and Transparency Rules sourcebook issued by the FCA, as amended from time to time
<b>“Effective”</b>	in the context of the Acquisition: (i) if the Acquisition is implemented by way of the Scheme, the Scheme having become effective pursuant to its terms; or (ii) if the Acquisition is implemented

by way of the Takeover Offer, the Takeover Offer having been declared or having become unconditional in accordance with the requirements of the Takeover Code

<b>“Effective Date”</b>	the date on which the Acquisition becomes Effective
<b>“Eligible Brand Architekts Shareholders”</b>	a Brand Architekts Shareholder who is not a Restricted Brand Architekts Shareholder
<b>“Enlarged Warpaint Group”</b>	the Warpaint Group as enlarged by the Brand Architekts Group following completion of the Acquisition
<b>“Euroclear”</b>	Euroclear UK & International Limited
<b>“Excluded Shares”</b>	any (i) Brand Architekts Shares registered in the name of, or beneficially owned by Warpaint or any other member of the Warpaint Group, or any nominee of the foregoing, (if any) at the Scheme Record Time, and (ii) Brand Architekts Shares held as treasury shares (as defined in section 724(5) of the 2006 Act) (if any) at the Scheme Record Time
<b>“FCA”</b>	the Financial Conduct Authority or its successor from time to time
<b>“FCA Handbook”</b>	the FCA’s Handbook of rules and guidance as amended from time to time
<b>“Form of Election”</b>	the form of election for use by an Eligible Brand Architekts Shareholder who holds Scheme Shares in certificated form in relation to the Alternative Share Offer
<b>“Forms of Proxy”</b>	the form of proxy for use at the Court Meeting and the form of proxy for use at the General Meeting, which will accompany the Scheme Document
<b>“General Meeting”</b>	the general meeting of Brand Architekts Shareholders to be convened to consider and if thought fit pass the Resolution, notice of which shall be contained in the Scheme Document, and any adjournment, postponement or reconvention thereof
<b>“Last Accounts Date”</b>	30 June 2024
<b>“London Stock Exchange”</b>	the London Stock Exchange plc or its successor
<b>“Long Stop Date”</b>	30 June 2025 or such later date, if any, (a) as Warpaint and Brand Architekts may agree, or (b) (in a competitive situation) as may be specified by

	Warpaint with the consent of the Panel, and in each case that (if so required) the Court may allow
<b>“Market Abuse Regulation”</b>	the Market Abuse Regulation (EU) no.596/2014 as it forms part of English law by virtue of the European Union (Withdrawal) Act 2018
<b>“Meetings”</b>	the Court Meeting and the General Meeting
<b>“New Warpaint Shares”</b>	the new Warpaint Shares proposed to be issued pursuant to the Acquisition
<b>“Offer Period”</b>	the offer period (as defined by the Takeover Code) relating to Brand Architekts which commenced on 5 December 2024
<b>“Opening Position Disclosure”</b>	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 Acquisition
<b>“Overseas Shareholders”</b>	holders of Scheme Shares who are resident in, ordinarily resident in, or citizens of, jurisdictions outside the United Kingdom
<b>“Panel”</b>	the Panel on Takeovers and Mergers
<b>“Placing”</b>	the proposed placing of 2,745,098 new Warpaint Shares at a price of 510 pence per new Warpaint Share to raise gross proceeds (before fees and expenses) of approximately £14 million
<b>“Registrar of Companies”</b>	the Registrar of Companies in England and Wales
<b>“Regulations”</b>	the Uncertificated Securities Regulations 2001
<b>“Regulatory Information Service”</b>	any information service authorised from time to time by the FCA for the purpose of disseminating regulatory announcements
<b>“Relevant Authority”</b>	any central bank, ministry, governmental, quasigovernmental (including the European Union), supranational, statutory, regulatory or investigative body or authority (including any national or supranational antitrust or merger control authority, any sectoral ministry or regulator and any foreign investment review body), national, state, municipal or local government (including any subdivision, court, administrative agency or commission or other authority thereof), any entity owned or controlled by them, any private body exercising any regulatory, taxing, importing or other authority, trade agency, association, institution or professional or environmental body in any jurisdiction

<b>“relevant securities”</b>	shall be construed in accordance with the Code
<b>“Resolution”</b>	the special resolution to be proposed at the General Meeting in connection with the implementation of the Scheme and the amendment of the Articles
<b>“Restricted Jurisdiction”</b>	any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Acquisition is sent or made available to Brand Architekts Shareholders in that jurisdiction
<b>“Restricted Brand Architekts Shareholders”</b>	a Brand Architekts Shareholder (including an individual, partnership, unincorporated syndicate, limited liability company, unincorporated organisation, trust, trustee, executor, administrator or other legal representative) in, or resident in, or any person whom Warpaint believes to be in, or resident in, a Restricted Jurisdiction (or any custodian, nominee or trustee for such persons) and person in any other jurisdiction (other than persons in the United Kingdom) whom Warpaint is advised to treat as a restricted overseas person in order to observe the laws of such jurisdiction or to avoid the requirement to comply with any governmental or other consent or any registration, filing or other formality which Warpaint regards as unduly onerous
<b>“Retail Offer”</b>	the proposed retail offer by Warpaint of up to 196,078 new Warpaint Shares at a price of 510 pence per new Warpaint Share, through the Bookbuild platform for retail investors, to raise gross proceeds (before fees and expenses) of up to £1 million
<b>“Sanction Hearing”</b>	the hearing of the Court at which Brand Architekts will seek an order sanctioning the Scheme pursuant to Part 26 of the 2006 Act
<b>“Scheme”</b>	the proposed scheme of arrangement under Part 26 of the 2006 Act between Brand Architekts and the holders of the Scheme Shares in connection with the Acquisition, with or subject to any modification, addition or condition approved or imposed by the Court and agreed by Brand Architekts and Warpaint
<b>“Scheme Document”</b>	the document to be sent to Brand Architekts Shareholders and persons with information rights containing, amongst other things, the Scheme, the full terms and conditions of the Scheme and notices of the Meetings

<b>“Scheme Record Time”</b>	the time and date to be specified in the Scheme Document, expected to be 6.00 p.m. on the Business Day immediately after the date of the Sanction Hearing
<b>“Scheme Shareholders”</b>	holders of Scheme Shares
<b>“Scheme Shares”</b>	all Brand Architekts Shares: (i) in issue at the date of the Scheme Document; (ii) (if any) issued after the date of the Scheme Document but before the Voting Record Time; and (iii) (if any) issued at or after the Voting Record Time but before the Scheme Record Time in respect of which the original or any subsequent holders thereof are, or shall have agreed in writing to be, bound by the Scheme, in each case remaining in issue at the Scheme Record Time, but excluding the Excluded Shares
<b>“Shore Capital”</b>	Shore Capital and Corporate Limited and/or Shore Capital Stockbrokers Limited, as the context requires
<b>“Singer Capital Markets”</b>	Singer Capital Markets Advisory LLP
<b>“subsidiary”, “subsidiary undertaking” and “undertaking”</b>	shall be construed in accordance with the 2006 Act
<b>“Takeover Code”</b>	the City Code on Takeovers and Mergers issued by the Panel on Takeovers and Mergers, as amended from time to time
<b>“Takeover Offer”</b>	subject to the consent of the Panel and the terms of the Cooperation Agreement, should the Acquisition 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 Warpaint on the terms and subject to the conditions to be set out in the related offer document to acquire the entire issued, and to be issued, share capital of Brand Architekts, and, where the context admits, any subsequent revision, variation, extension or renewal of such offer
<b>“UK” or “United Kingdom”</b>	the United Kingdom of Great Britain and Northern Ireland
<b>“US” or “USA”</b>	the United States of America
<b>“uncertificated” or “in uncertificated form”</b>	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

<b>“US Exchange Act”</b>	the US Securities Exchange Act of 1934, as amended
<b>“US Securities Act”</b>	the US Securities Act of 1933, as amended
<b>“Voting Record Time”</b>	the time and date to be specified in the Scheme Document by reference to which entitlement to vote on the Scheme will be determined
<b>“Warpaint”</b>	Warpaint London plc
<b>“Warpaint Board”</b>	the directors of Warpaint as at the date of this announcement or, where the context so requires, the directors of Warpaint from time to time
<b>“Warpaint Fundraising”</b>	the proposed Placing and Retail Offer which are being launched by Warpaint shortly after this announcement by way of separate announcement
<b>“Warpaint Group”</b>	Warpaint and its subsidiary undertakings from time to time (and where the context permits, each of them)
<b>“Warpaint Shares”</b>	the ordinary shares of 25 pence each in the capital of Warpaint
<b>“Warpaint Shareholders”</b>	the holders of Warpaint Shares
<b>“Wider Warpaint Group”</b>	Warpaint and its associated undertakings and any other body corporate, partnership, joint venture or person in which Warpaint and such undertakings (aggregating their interests) have an interest of more than 30 per cent. of the voting or equity capital or the equivalent
<b>“Wider Brand Architekts Group”</b>	Brand Architekts and its associated undertakings and any other body corporate, partnership, joint venture or person in which Brand Architekts and such undertakings (aggregating their interests) have an interest of more than 30 per cent. of the voting or equity capital or the equivalent (excluding, for the avoidance of doubt, Warpaint, and all of its associated undertakings which are not members of the Brand Architekts Group)

References to an enactment include references to that enactment as amended, replaced, consolidated or re-enacted by or under any other enactment before or after the date of this announcement.

All references to “pounds”, “pounds Sterling”, “Sterling”, “GBP”, “£”, “pence”, “penny” and “p” are to the lawful currency of the United Kingdom.

All times referred to are London time unless otherwise stated.

A reference to “includes” shall mean “includes without limitation”, and references to “including” and any other similar term shall be construed accordingly.



Words in the singular shall include the plural and *vice versa*.