



Acquisition Update

SUPPLY@ME CAPITAL PLC

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Supply @ME Capital PLC
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26 May 2021

Supply@ME Capital plc

(The "Company" or "SYME")

TradeFlow Capital Management ("TradeFlow") Update:

Share Purchase Agreement signed

Further to the announcement made by the Company on 19 April 2021, SYME is pleased to confirm that the Company has signed a Share Purchase Agreement ("SPA") to acquire the entire issued share capital of TradeFlow Capital Management Pte. Ltd.^[1], the leading Singapore-based FinTech-powered commodities trade enabler focused on SMEs.

The acquisition will enable SYME to further enhance its Platform, delivering a global inventory monetisation service, including the monetisation of both inventory "in-transit" (in particular, commodities), and warehoused goods.

It is intended that the consideration for the transaction will be settled in two parts.

Firstly, at the Completion Date expected by the end of June after the finalisation of the necessary regulatory and administrative procedures:

- an amount of £4 million will be paid in cash; and
- the Company will issue 813 million new SYME shares at market price to the TradeFlow sellers which represents less than 3% of the Company's issued share capital.

Secondly, earn-out payments covering the period from January 2021 to December 2023, made in cash or shares at the choice of the Company, based on TradeFlow achieving annual revenue targets commensurate with the business plan that underpins its valuation. TradeFlow has been valued at approximately £31m by an independent valuation company. The valuation is based on the positive track record of funds launched, the Intellectual Property rights related to the proprietary digital platform ("TradeFlow+") and the TradeFlow business plan to 2025.

The Company intends to fund the initial cash component of the transaction from an investment of fresh capital being finalised with a group of new institutional investors.

Given the transaction and forward movement of the Company, SYME will be expanding its Board of Directors to bring in additional banking and legal experience, including the appointment, after completion and pursuant to the Company's nomination procedures, of Mr Tom James and Mr John Collis, the Co-Founders and Directors of TradeFlow, who will be key members of the combined business.

Parzival Partners Ltd^[2] and a team of financial services professionals ("Intermediaries") introduced and supported the transaction.

SYME will provide further updates as the completion and funding processes are delivered.

Following the achievement of this important milestone for the Company, SYME is pleased to confirm that the 2020 Statutory Audited Financial Statements are being finalised, with publication expected next week.

Alessandro Zamboni, Chief Executive, Supply@ME Capital PLC, commented: "We are pleased to reach this next milestone for the Company with the signing of the Share Purchase Agreement with TradeFlow. We have been continually impressed by the quality of the business that Tom and John have built, having established themselves as a respected funder for inventory in transit, particularly among SME-sized businesses. By bringing TradeFlow into the Supply@ME stable, we will have an offering for the supply chain sector which surpasses anything available globally, with vast opportunities to create even more value for our investors."

John Collis, Chief Risk Officer and Co-Founder of TradeFlow Capital, commented: "Signing the SPA with Supply@ME brings us to the next phase of TradeFlow's growth. The economic and physical challenges throughout the pandemic have left many businesses with - even if it is a cliché to say so - an unprecedented set of supply chain issues for goods on the move. We look forward to joining forces with Alessandro and his team in due course, and improving the working capital position of even more businesses with the backing of Supply@ME."

Tom James, Chief Executive Officer and Co-Founder of TradeFlow Capital, added: "Our non-credit approach to enabling physical commodity import/export transactions is unique in the trade finance hedge fund world, as is Supply@ME's approach to inventory monetisation for manufacturing and trading businesses. The combination of the expertise in TradeFlow Capital and Supply@ME, will broaden our shared geographic footprint and create a global digitised offering which will create a number of benefits from both a funding, technology and customer origination perspective. We look forward to the close of the transaction in due course."

Notes

Supply@ME enables businesses to generate cashflow, without incurring debt, by monetising their existing stock. Before a business has found an end-customer for its inventory, the Supply@ME platform enables them to sell ("monetise") their stock and receive cash immediately to boost their working capital. The Supply@ME service enables strong companies to improve their working capital cycle. SYME does not monetise inventory for companies in financial difficulty or with inventory that they are struggling to sell.

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[1] www.tradeflow.capital

[2] www.parzivalpartners.com

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