

21 January 2021

Baskerville Capital plc

(‘Baskerville’ or the ‘Company’)

**Proposed Acquisition of Oberon Investments
Proposed Admission to AQSE Growth Market**

***Publication of Admission Document
Proposed Waiver of Rule 9 of the Takeover Code
Proposed Change of Name to Oberon Investments Group Plc
Proposed Fundraising
De-Listing from the Standard List
Notice of General Meeting***

Baskerville, is pleased to announce that, following announcements on 27 January 2020 and 8 July 2020, the Company has published an Admission Document in relation to, *inter alia*, the conditional acquisition of Oberon Investments Limited (‘Oberon’) and admission of its enlarged share capital to the Access Segment of AQSE Growth Market (‘Admission’).

As Baskerville is a cash shell with a Standard Listing, the Acquisition is deemed a reverse takeover, and trading in its shares was suspended from 27 January 2020. However, as Baskerville will not be applying for re-admission to the Standard List, a prospectus will not be published. Instead, Baskerville has published the Admission Document pursuant to the AQSE Rules.

Consideration for the Acquisition is £12,956,781, to be satisfied by the issue of 323,919,525 Consideration Shares, issued at 4p per share. In addition, the Company has conditionally raised £1.44m by issuing Subscription Shares at the Issue Price of 4p per share.

The Admission Document sets out the background to and reasons for the acquisition and explains why the Directors consider that the acquisition is in the best interests of the Company and its shareholders as a whole and recommend that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting on 8 February 2021.

Upon Admission, Baskerville will change its name to Oberon Investments Group Plc and will become the holding company of a new group formed to create a boutique financial institution, providing a personalised wealth management service for retail and professional clients, as well as a corporate broking arm for small and mid-cap companies. The proposed directors expect the enlarged group to progress through the organic growth of Assets Under Administration (‘AUA’) in the wealth management division and the acquisition of complementary businesses in the sector. They will seek to create a trusted brand for the provision of advisory and fundraising services for companies in the small and mid-cap sectors.

The Proposed Acquisition constitutes a reverse takeover transaction pursuant to Rule 5.6 of the Listing Rules and, accordingly, is conditional on, *inter alia*, the approval of Shareholders at a General Meeting to be held at 10.00 a.m. on 8 February 2021 at the offices of Fladgate LLP at 16 Great Queen Street, London WC2B 5DG (‘General Meeting’ or ‘GM’).

On 7 January 2021, Baskerville announced it was de-listing from the Standard List on 4 February 2021 and was to be admitted to trading on the AQSE market on 5 February 2021. The de-listing and the admission to trading on the AQSE market are now expected to take place on 8 February 2021 and 9 February 2021 respectively.

The Directors are asking all Shareholders not to attend the General Meeting due to the Covid-19 pandemic. Shareholders who attempt to attend the GM in person in breach of any stay at home measures which are in place on the date of the GM will not be admitted. Instead, please vote by proxy on the Resolutions in advance of the General Meeting by one of the methods described in the Admission Document. Voting will be taken on a poll for all of the Resolutions. Given the current restrictions on

attendance in person at the GM, Shareholders are encouraged to appoint the Chairman of the GM as their proxy rather than a named person who will not currently be permitted to attend the GM unless the UK Government's restrictions in place at the date of this announcement are relaxed or lifted prior to the GM.

Shareholders are requested to vote as soon as possible and, in any event, to be valid so as to be received by the Company's registrars, Share Registrars Limited, by not later than 10.00 p.m. on 4 February 2021. Completed copies of the Forms of Proxy should be sent or delivered to Share Registrars Limited, The Courtyard, 17 West Street Farnham GU9 7DR or the completed proxy form can be scanned and emailed to voting@shareregistrars.uk.com.

In addition, Shareholders can also submit questions relating to the business of the General Meeting at any time from the date of this announcement by email to voting@shareregistrars.uk.com and the Company will answer such questions on a regular basis up until 12.00 p.m. on 4 February 2021. If the restrictions on gatherings and social distancing are relaxed or lifted by the UK Government prior to the date of the GM, the Company will notify Shareholders of any resulting change which may affect the ability of Shareholders to attend the GM by issuing a further announcement through a Regulatory Information Service and on its website at www.baskcap.com.

The Admission Document is available to view on the Company's website at www.baskcap.com. Capitalised terms in this announcement shall have the same meaning as in the Admission Document to be posted to shareholders today.

For further information please contact:

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Introduction

On 27 January 2020, Baskerville announced that it had acquired a 7.83% shareholding in Oberon for £850,640 in cash and on 25 June 2020, the Company announced it had subscribed for further shares in Oberon for £295,390 taking its combined holding to 9.99% (now 8.87%). In addition to this investment, it was announced that Baskerville and Oberon had entered into non-legally binding heads of terms providing for the acquisition by Baskerville of the entire issued share capital of Oberon not already owned by it, and that the intention was for Baskerville to seek admission to trading on the NEX Exchange Growth Market (now renamed the Access segment of the AQSE Growth Market), on completion of the Acquisition.

As Baskerville is a cash shell with a Standard Listing, the acquisition is deemed to be a reverse takeover under the Listing Rules of the FCA, and trading in the existing Ordinary shares was suspended from 27 January 2020. However, as Baskerville will not be applying for re-admission to the Standard List, a prospectus will not be published. Instead, Baskerville has today published an Admission Document pursuant to the AQSE Rules.

The total consideration for the Acquisition will be £12,956,781 to be satisfied by the issue to the sellers of 323,919,525 consideration shares. The consideration shares will be issued at 4p per share and will be credited as fully paid.

The Admission Document sets out the background to and reasons for the Acquisition and explains why the directors consider that the Acquisition is in the best interests of the Company and its shareholders as a whole and recommend that shareholders vote in favour of the resolutions to be proposed at the General Meeting to be held on 8 February 2021. This Document also seeks the approval of independent shareholders for a waiver, which the Takeover Panel has agreed to give (subject to such approval), of the obligation that might otherwise arise under Rule 9 of the Takeover Code for the Concert Party (described below) to make a mandatory offer for the entire issued and to be issued share capital of Baskerville which the members of the Concert Party do not already hold. The approval of the Baskerville Shareholders for the resolutions to be proposed at the general meeting is required to enable the proposals to proceed.

Summary of the principal terms of the Acquisition

On 21 January 2021, the Company entered into the Acquisition Agreement with the shareholders of Oberon, other than itself, pursuant to which the Company agreed to purchase the entire issued share capital of Oberon which it does not already own for £12,956,781 to be satisfied by the allotment and issue of the Consideration Shares to the other shareholders of Oberon.

Completion of the Acquisition is conditional upon:

- the approval of the Whitewash Resolution by Independent Shareholders;
- the approval of the remaining Resolutions by Shareholders;
- the approval of the FCA to the change of control of Oberon (which was obtained on 21 January 2021);
- the completion of the Subscription;
- there being no material adverse change in the business, operations, assets, liabilities, condition (whether financial, trading or otherwise), prospects or operating results of the Company or Oberon; and
- Admission becoming effective by not later than 8.00 a.m. on 9 February 2021 (or such later time and/or date (not being later than 30 June 2021) as Novum and the Company may agree).

Proposed Board Changes

On completion of the Acquisition and on Admission, Rodger Sargent and Derek Kehoe will resign as directors.

At the same time the following individuals will join the Board:

- * The Hon Robert Hanson, Proposed Non-Executive Chairman
- * Simon Philip McGivern, Proposed CEO
- * The Hon Alexander Robert Hambro, Proposed Non-Executive Director
- * John Geoffrey Beaumont, Proposed Finance Director

Biographical details of the Proposed Directors are set out below.

Change of Name

The Directors will resolve, in accordance with the Articles and conditional upon Admission, to change the name of the Company to "Oberon Investments Group Plc", with such change of name to become effective upon the issue of a certificate of incorporation on change of name by the Registrar of Companies. At that time, the Company's stock ticker symbol will be changed to OBE. The Company's website address will be changed to www.oberoninvestments.com.

Takeover Code

The Acquisition gives rise to certain considerations under the Takeover Code. Brief details of the Panel, the Takeover Code and the protections they afford are set out below.

The Takeover Code is issued and administered by the Panel. The Takeover Code governs, inter alia, transactions which may result in a change of control of a company to which the Takeover Code applies. The Company, as public company whose Ordinary Shares are admitted to listing on the standard segment of the Official List and to trading on the Main Market of the London Stock Exchange, is such a company and its Shareholders are therefore entitled to the protections afforded by the Takeover Code. Oberon is a private limited company and is not subject to the Takeover Code.

Under Rule 9 of the Takeover Code, where any person acquires, whether by a series of transactions over a period of time or not, an interest in shares which (taken together with shares already held by that person and any interest in shares held or acquired by persons acting in concert with him) carry 30 per cent. or more of the voting rights of a company which is subject to the Takeover Code, that person is normally required by the Panel to make a general offer to all the holders of any class of equity share capital or other class of transferable securities carrying voting rights in that company to acquire their interests in the company ("Rule 9 Offer").

Similarly, Rule 9 of the Takeover Code also provides, among other things, that where any person who, together with persons acting in concert with him, is interested in shares which in aggregate carry not less than 30 per cent. but does not hold shares carrying more than 50 per cent. of the voting rights of a company which is subject to the Takeover Code, and such person, or any person acting in concert with him, acquires an additional interest in shares which increases the percentage of shares carrying voting rights in which he is interested, then such person is normally required by the Panel to make a general offer to all the holders of any class of equity share capital or other class of transferable securities carrying voting rights of that company to acquire the balance of their interests in the company.

An offer under Rule 9 of the Takeover Code must be in cash (or with a cash alternative) and at the highest price paid within the preceding 12 months for any interest in shares in the company by the person required to make the offer or any person acting in concert with him.

Shareholders should be aware that under Rule 9 of the Takeover Code any persons who, together with persons acting in concert with him, holds shares carrying more than 50 per cent. of the voting rights of a company, is normally able to acquire an interest in shares which carry additional voting rights, without being required to make a general offer to the other shareholders, save that the consent of the Takeover Panel is required if the person will increase the percentage of shares in which it is interested to 30 per cent or more, or increases in between 30 per cent and 50 per cent.

Concert Party

Under the Takeover Code, a concert party arises where persons acting together pursuant to an agreement or understanding (whether formal or informal) co-operate to obtain or consolidate control of, or to frustrate the successful outcome of an offer for, a company subject to the Takeover Code. Control means an interest or interests in shares carrying, in aggregate, 30 per cent. or more of the voting rights of the company, irrespective of whether the holding or holdings give de facto control.

The Company has agreed with the Takeover Panel that certain of the shareholders of Oberon should be considered to be “acting in concert” for the purposes of the Takeover Code (as such term is defined in the Takeover Code). Given that on completion of the Proposals the Concert Party will hold over 50 per cent. of the voting rights of the Company, any transfer of shares in the Company between entities within the Concert Party and any further acquisitions of the Company’s shares by any member of the Concert Party, whether individually or collectively, will not be subject to the restrictions of Rule 9 of the Takeover Code, although individual members of the Concert Party will only be able to increase their percentage interests through or between a Rule 9 threshold with the consent of the Takeover Panel.

The Concert Party is made up of Rodger Sargent, a Director and certain shareholders of Oberon. The Concert Party will hold 61.46 per cent of the Enlarged Share Capital. On Admission the Concert Party will hold 61.46 per cent of the Enlarged Share Capital. If all of the Concert Party Shares are issued, the Concert Party would hold 64.55% of the Ordinary Shares on a fully diluted basis.

Further information on the Concert Party is set out below.

Dispensation from the requirement to make a general offer under the Takeover Code

Immediately following completion of the Proposals and the issue of the Consideration Shares and Subscription Shares, on Admission the Concert Party will have acquired Ordinary Shares carrying, in aggregate, 61.46 per cent. of the then enlarged voting rights of the Company, with a maximum holding of 64.55 per cent if all of the Concert Party Shares are issued which, without a waiver of the obligations under Rule 9 of the Takeover Code, would oblige the Concert Party them to make a Rule 9 Offer.

The members of the Concert Party and the interest of each member of the Concert Party in the Enlarged Share Capital are set out below in the appendices.

The Company has applied to the Panel for a waiver of the obligations under Rule 9 of the Takeover Code in order to permit the Acquisition to proceed without triggering an obligation on the Concert Party to make a general offer to Shareholders. Under Note 1 of the Notes on the Dispensations from Rule 9 of the Takeover Code, the Panel will normally waive the requirement for a Rule 9 Offer to be made, if, among other things, the shareholders of the relevant company who are independent of the person(s) who would otherwise be required to make an offer, and any person(s) acting in concert with them, pass an ordinary resolution approving such a waiver on a poll at a general meeting.

To be passed, the Whitewash Resolution will require a simple majority of the votes cast on a poll by Independent Shareholders. Shareholders should note that if the Whitewash Resolution is passed by Independent Shareholders at the General Meeting and the Proposals are completed, the Concert Party, or any individual member thereof, will not be restricted from making an offer for the Company.

Shareholders should further note that, following completion of the Proposals, the members of the Concert Party will in aggregate hold approximately 61.46 per cent. of the then enlarged voting rights of the Company (which could increase to 64.55 per cent if the Concert Party Shares are issued) and that:

- by virtue of holding more than 50 per cent. of the Company's voting rights, the members of the Concert Party will be entitled to increase their holdings or aggregate interests in the voting rights of the Company without incurring any obligation under Rule 9 of the Takeover Code to make a general offer to all Shareholders to acquire their Ordinary Shares, although individual members of the Concert Party will not be able to increase their percentage interests through or between a Rule 9 threshold without the consent of the Takeover Panel; and
- this will increase the percentage of the Ordinary Shares that are not in public hands. This may in turn have the effect of reducing the liquidity of trading in the Ordinary Shares. The Concert Party's stake in the voting rights of the Company will also mean that the members of the Concert Party will be able, if they so wish, to exert significant influence over resolutions proposed at future general meetings of the Company.

Conflict of interest

Rodger Sargent, a Director, is a shareholder of Oberon. As such, he is considered to have a conflict of interest and so he has not participated in the Independent Director's recommendation of the Whitewash Resolution and furthermore he will be excluded from voting in his capacity as a Shareholder on the Whitewash Resolution.

There are a number of Shareholders that also hold shares in Oberon and are therefore not deemed to be Independent Shareholders and so are not eligible to vote on the Whitewash Resolution. The Independent Shareholders hold in aggregate 29,550,000 Existing Ordinary Shares representing approximately 61.8 per cent. of the Existing Ordinary Shares.

Independent advice provided to the Independent Director

The Takeover Code requires the Independent Director to obtain competent independent advice regarding the merits of the transaction, which is the subject of the Whitewash Resolution, the controlling position which it will create, and the effect which it will have on Shareholders generally. Accordingly, Novum, as the Company's independent financial adviser, has provided formal advice to the Independent Director regarding the Acquisition and the Whitewash Resolution. Novum confirms that it, and any person who is or is presumed to be acting in concert with it, is independent of the Concert Party and has no personal, financial or commercial relationship or arrangement or understanding with the Concert Party.

Intentions of the Concert Party

At present the Company is a cash shell with no operating business, no fixed assets, no research and development function and has no employees. On completion of the Acquisition, the Company will become the holding company of Oberon and therefore Baskerville's existing strategy will cease. The Concert Party has confirmed that following completion of the Proposals and Admission its intention is that the strategy and business of the Company will be to develop Oberon's wealth management business. Following Completion of the Acquisition, in order to support the Company's new strategy, the Company will remain a holding company with the majority of its group employees, functions and assets being undertaken by Oberon.

Following implementation of the Proposals, the Company's enlarged issued share capital will be admitted to the AQSE Growth Market.

Following completion of the Acquisition and Admission, except as described above, the Concert Party is not intending to seek any changes in respect of:

- i) the future business of the Enlarged Group, including any research and development functions;
- ii) the continued employment of the employees and management of the Enlarged Group, including any material change in the conditions of employment or in the balance of the skills and functions of the employees and management;
- iii) the strategic plans for the Enlarged Group or the Enlarged Group's places of business, except that the Company's registered office will change to Second Floor, Nightingale House, 65 Curzon Street, London W1J 8PE; or
- iv) any redeployment of the fixed assets of the Enlarged Group.

Lock-in Undertakings

Under the terms of the acquisition agreement, each Locked-in Party has agreed, that they will not (subject to certain exceptions) sell, transfer or dispose of any interest in Consideration Shares held by them until the expiry of six months from Admission.

Those restrictions will not apply in certain limited circumstances which include, amongst others:

- * the acceptance of any offer made in accordance with the Takeover Code by any third party for the whole of the ordinary share capital of the Company (other than any ordinary share capital owned by the offeror or any concert party of the offeror) or giving an irrevocable undertaking to accept such an offer; or
- * a disposal to a family member or family trust; or
- * or to satisfy a claim for breach of the warranties or tax covenant given under the Acquisition Agreement; or
- * with the prior consent of Novum and the Company.

Subscription

On Admission, the Company proposes to raise capital through the Subscription by issuing Subscription Shares at the Issue Price of £0.04. The gross proceeds of £1,442,810 as a result of the Subscription will be used for the working capital of the Enlarged Group.

The Subscription Shares will represent approximately 8.85 per cent. of the Enlarged Share Capital. Accordingly, on completion of the Proposals and after the allotment and issue of the Consideration Shares and the Subscription Shares, the Consideration Shares issued to the former shareholders of Oberon will represent approximately 79 per cent. of the Enlarged Share Capital.

The Subscription Shares and the Consideration Shares will rank *pari passu* in all respects with the Existing Ordinary Shares including the right to receive all dividends and other distributions declared, paid or made after the date of issue. None of the Subscription Shares have been marketed to or will be made available in whole or in part to the public in conjunction with the application for Admission.

The Subscription is conditional upon, among other things:

- * the passing of the Resolutions;
- * the Acquisition Agreement and the Introduction Agreement being unconditional other than for Admission;
- * there being no material adverse change in the business, operations, assets, liabilities, condition (whether financial, trading or otherwise), prospects or operating results of the Company or Oberon; and

- Admission becoming effective by not later than 8.00 a.m. on 29 January 2021 (or such later time and/or date (not being later than 28 February 2021 or in the case of one subscriber 31 March 2021) as the Company and Novum may agree).

Admission, settlement and CREST

Prior to the intended date of completion of the Acquisition and Admission, the Company will have applied to the FCA for cancellation of admission of the Ordinary Shares to the Standard Segment of the Official List and to trading on the London Stock Exchange's Main Market for listed securities ("Cancellation") to take effect at 4.30 p.m. on the dealing day before the intended completion of the Acquisition and Admission.

Application will be made to the Aquis Stock Exchange for the Enlarged Share Capital to be admitted to trading on AQSE Growth Market. Admission of the Enlarged Share Capital to trading on AQSE Growth Market is, subject to the passing of the Resolutions and the satisfaction of all other conditions, expected to take place on or around 9 February 2021.

The Ordinary Shares are eligible for CREST settlement. Accordingly, settlement of transactions Ordinary Shares (including the Consideration Shares and Subscription Shares) following Admission may take place within the CREST system if the relevant Shareholder so wishes.

CREST is a voluntary system and Shareholders who wish to receive and retain certificates for their Ordinary Shares will be able to do so.

It is expected that, subject to the satisfaction of the conditions to the Acquisition, the Consideration Shares will be registered in the names of the Oberon Shareholders and issued either:

- in certified form, where the Oberon Shareholders so elect, with the relevant share certificate expected to be despatched by post, at their risk, by 23 February 2021; or
- in CREST, where the Oberon Shareholders so elect and only if they are a system-member (as defined in the CREST Regulations) in relation to CREST, with delivery (to the designated CREST account) of the Consideration Shares issued expected to take place on 9 February 2021.

Notwithstanding the election by the Oberon Shareholders as to the form of delivery of the Consideration Shares, no temporary documents of title will be issued. All documents or remittances sent by or to the Oberon Shareholders or as they may direct will be sent through the post at their risk.

Pending the despatch of definitive share certificates (as applicable), instruments of transfer will be certified against the register.

Irrevocable undertakings

The Independent Director has given an irrevocable undertaking to the Company to vote in favour of the Resolutions to be proposed at the General Meeting (and, where relevant, to procure that such action is taken by the relevant registered holder(s) other than him) in respect of his entire beneficial holdings totalling in aggregate 3,700,000 Existing Baskerville Shares, representing approximately 7.74 per cent. of the Existing Baskerville Shares.

Rodger Sargent has given an irrevocable undertaking to the Company to vote in favour of the Resolutions to be proposed at the General Meeting other than the Whitewash Resolution upon which he is excluded from voting on by reason of not being independent, (and, where relevant, to procure that such action is taken by the relevant registered holder(s) other than him) in respect of his entire beneficial holdings totalling in aggregate 2,500,000 Existing Baskerville Shares, representing approximately 5.23 per cent. of the Existing Baskerville Shares.

General Meeting

The formal Notice of General Meeting is set out at the end of this Document convening the meeting to be held at the offices of Fladgate LLP at 16 Great Queen Street, London WC2B 5DG at 10.00 a.m. on 8 February 2021. At the General Meeting the following Resolutions will be proposed:

- * Resolution 1 will be proposed as an ordinary resolution and seeks to approve the Acquisition. If this resolution is not passed the Board will continue to seek an acquisition in the technology sector for a further 12 months;
- * Resolution 2, the Whitewash Resolution, is an ordinary resolution to approve the waiver of the obligations under Rule 9 of the Takeover Code. This resolution will be taken on a poll, and must be approved by Independent Shareholders entitled to vote who together represent a simple majority of the issued Ordinary Shares held by such Independent Shareholders being voted (whether in person or by proxy) at the General Meeting;
- * Resolution 3, which is conditional on the passing of Resolutions 1 and 2 and is an ordinary resolution, is to authorise the Board to allot relevant securities up to an aggregate nominal amount of £2,472,802, being equal to 494,460,400 Ordinary Shares (which allows for the issue of the New Ordinary Shares plus headroom to issue a further 134,570,625 Ordinary Shares); and
- * Resolution 4, which is conditional on the passing of Resolution 3 and is a special resolution to authorise the Board to issue and allot up to 117,628,205 Ordinary Shares on a non-pre-emptive basis (which allows for the issue of the Subscription Shares plus headroom to issue a further 81,557,955 Ordinary Shares).

The Company is closely monitoring the COVID-19 situation, including UK Government guidance, and will continue to do so in the lead up to the General Meeting. The health of our Shareholders, employees and other stakeholders remains extremely important to us and, accordingly, the Board has taken into consideration the compulsory measures that have been published by the UK Government. Should such directives and/or legal requirements remain in place up to the General Meeting, or if they are relaxed but restrictions still need to apply to protect the safety of the people attending the General Meeting or any of the Company's stakeholders, then Shareholders, advisers and other guests will not be allowed to attend the General Meeting in person and anyone seeking to attend the meeting will be refused entry. Accordingly, Shareholders should note they are not entitled to attend the General Meeting in person unless notified otherwise via the Company's website at www.baskcap.com.

Shareholders are requested to therefore submit their votes, in respect of the business to be discussed, via proxy as early as possible. Shareholders should appoint the Chair of the meeting as their proxy. If a Shareholder appoints someone else as their proxy, that proxy will not be able to attend the meeting in person or cast the Shareholder's vote.

In accordance with the requirements of the Panel, the Whitewash Resolution will be taken on a poll of Independent Shareholders.

Introduction to Oberon Investments

Upon admission to the AQSE market, Baskerville will change its name to Oberon Investments Group Plc and by means of the acquisition will become the holding company of a new group which is being formed to create a boutique financial institution providing a personalised wealth management service for retail and professional clients, as well as a corporate broking arm for small and mid-cap companies. The proposed Directors expect the enlarged group to progress through the organic growth of Assets Under Administration ("AUA") in the wealth management division and the acquisition of complementary businesses in the sector and by creating a trusted brand for the provision of advisory and fundraising services for companies in the small and mid-cap sectors.

The proposed directors believe that the enlarged group is well placed to continue a strategy of growth to create a profitable financial boutique.

Since the original holding company for the Oberon business was set up in April 2017, a number of acquisitions have been made and its AUA have increased by over 300%. This has been achieved despite the backdrop of challenging financial markets and the Covid-19 pandemic.

Business history of Oberon

Oberon Investments Ltd was set up in April 2017. Following a period of due diligence, in November 2017, Oberon made its first acquisition of the small stockbroking firm M. D. Barnard & Company Limited. This initial acquisition gave Oberon a suite of FCA permissions, a platform for future growth and AUA of c.£100 million. Since then, significant resources have been invested in building the team, training the staff and improving and enhancing compliance and other procedures of MD Barnard, the operating company of Oberon Group, to create a solid platform for growth.

The existing Oberon group's AUA have grown from c. £100 million in 2018 to c.£375 million in December 2020. This has been achieved organically by adding new clients and new fund managers, attracted by the emerging brand. Growth in AUA has also been achieved by the acquisition of the UK wealth management business of Hanson Asset Management in June 2020. AUA, and fees generated by managing these assets, form the core revenues of the business. This revenue is seen as high quality due to its predictability and resilience, as evidenced during the Covid-19 pandemic. With increased volatility in asset prices as a direct impact of the pandemic, the existing Oberon group has been able to generate deal-flow income and increased trading commissions, a feature of Q2 and Q3 2020 performance.

In May 2020, Oberon set up its corporate broking division, Oberon Capital, and announced its first client in July 2020. Oberon Capital takes advantage of the skill sets employed in its business in giving advice and providing access to capital. The business provides advice and raises capital for companies from seed and early stage funding through to IPO and beyond. There is currently a good pipeline of new clients and fundraisings which the proposed directors believe have the potential to generate significant revenue and give the existing Oberon group's clients a superior service. The proposed directors believe that good companies need advice and access to capital at all stages of their development and that the enlarged group will be well placed to offer these services and generate a significant income stream over the lifetime of the corporate client.

The asset and wealth management divisions of Oberon consist of Oberon Investments (the trading name of M.D. Barnard), a discretionary, advisory and execution-only stockbroker and wealth manager, and Hanson Investment Management, a discretionary wealth manager. It is the proposed directors intention to build on the platforms of these businesses and allow their teams to grow by offering core investment management services, alongside innovative products and investment opportunities. Under the ownership of Oberon, and utilising Oberon's back and middle office administration capabilities in Basildon, Essex, the teams are already winning new clients and launching new initiatives. An example of this is the forthcoming launch of Oberon's Inheritance Tax service which combines Oberon's history in smaller companies with its skillset in servicing clients.

Contracts have been exchanged to acquire Smythe House, a well-regarded independent financial adviser. Oberon will provide the backing and support to this team to grow their business and will also be able to offer Smythe House's advisory services into some of Oberon's existing clients.

Completion of the Smythe House acquisition is dependent upon, inter alia, FCA approval, which is anticipated to be received after completion of the Acquisition.

The total number of employees in the business is currently 33, of which 7 are fund managers. The business is split between the offices in Central London and Basildon, Essex. The management, the front office and fund managers are based in Central London and the middle and back offices, which manages cash and treasury functions, risk and accounting and compliance, is based in Basildon.

Key strengths

The directors and proposed directors consider that the key strengths of the enlarged group will include:

- the experience of the senior management team in running growth businesses, managing that growth and raising capital to finance that growth;
 - the permissions within the existing Oberon group provide a barrier to entry to new competitors; and
 - taking advantage of current market conditions and competitive landscape which, the directors and proposed directors believe allow for an entrepreneurial management team to build up a successful business.
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- Having an end-to-end solution for fund and wealth management and the ability to advise and service corporate clients from inception to IPO and beyond provides the necessary infrastructure to enable the enlarged group to grow.

Market overview

The Enlarged Group will operate in the UK wealth and fund management sector and in the corporate broking and financial advisory sectors. The UK fund management industry is estimated to have c.£8.9 trillion in assets under management (“AUM”) in 2020-21. The industry includes assets of independently managed funds, as well as those owned by banks, insurance companies and pension funds. Conservative estimates of AUM for the UK financial advisory and wealth management sectors stand at approximately £272 billion and £942 billion respectively. The corporate broking and fundraising sector is very fragmented, ranging from the large integrated investment banks to niche corporate advisory firms.

Opportunities

The proposed directors believe that there is a market requirement for an entrepreneurial based fund, wealth and advisory business giving clients a bespoke service tailored to their needs. The recent polarisation of ever-larger groups has forced clients into pooled assets and away from stock and asset selection and the ability to take managed and defined risk and reward in investment decisions. Teams of capable fund managers are attracted by the existing Oberon group’s flexible approach and results-based outcomes for clients. The existing Oberon group is and will be able to provide a and wealth management service from independent financial advice on pensions, tax and retirement to the provision of a Managed Portfolio Service. A suite of tax efficient products including in-house VCTs will be incremental to the offering as will future launches and recruitment of funds and structures to give a multi-strategy range of funds for the enlarged group’s clients. The bespoke investment offering to numerous affluent clients is a key feature the proposed directors believe is very scalable and differentiates the existing Oberon group from many of its peers.

Regulation

Oberon’s wholly owned subsidiary is M.D. Barnard & Company Limited which is regulated by the FCA. M.D. Barnard & Company trades under the names Oberon Investments, Oberon Capital and Hanson Investment Management.

Competition

There are many wealth and fund management businesses from large financial conglomerates, such as FTSE100 business Schroders plc, to small niche providers. The directors consider its main competition to be from niche wealth management businesses such as Investec Wealth, Hargreaves Lansdown and businesses such as Charles Stanley, Rathbones and Tilney.

Operating overview of Oberon

Services

The existing Oberon group offers bespoke wealth management and tax efficient products as well as corporate broking, fundraising and advisory services to small and medium size enterprises.

Clients

The existing Oberon group has a wide range of clients and additionally some private and public company clients served by Oberon Capital.

Products

Currently the existing Oberon group offers bespoke private client discretionary and execution only accounts within its wealth management and stockbroking divisions (which include the Oberon and Hanson Investment Management brands). The proposed acquisition of Smythe House, an independent financial advisory service, will bring financial planning services. Oberon provides tax efficient products to clients through nascent IHT and EIS services and in-house Venture Capital Trusts. It is the board's intention to grow other funds and recruit fund managers to augment such offerings to clients, including open-ended funds and other retail focused structures.

Oberon's investment offerings include Managed Portfolio Service, discretionary and execution-only accounts and two VCTs.

Investment strategy

The existing Oberon group employs a number of fund managers who are experienced professionals, along with a Chief Investment Officer who oversees investment committees and meetings. The teams meet regularly to discuss themes, macro-economics and stock selection and report on potential investee company meetings, deal flow, problems and opportunities. The managed portfolio service has a defined strategy (which is regularly tested) for fund replacements and additions and subtractions. The bespoke wealth management service takes an approach where fund managers pick stocks and funds to suit their underlying clients in accordance with their agreed requirements and attitude to risk.

Oberon's investment management approach is carefully planned and monitored. Oberon uses technology to monitor the business and assist the compliance operations as further described below. The proposed directors are mindful not only of the needs of the clients but also the requirements of the industry and its regulators. The team aims to delivering high quality outcomes for clients whilst keeping portfolios rigorously managed for appropriateness and with the correct level of risk and exposure.

Compliance, risk management and controls

Regulation and compliance

The existing Oberon group has relevant authorisations that allow dealing in and holding client monies and the transaction of investment business in a variety of trading venues. The existing Oberon group is regulated by the FCA and is a member firm of the London Stock Exchange.

The department is staffed by three experienced compliance professionals (including the MLRO) who monitor the activities of the fund managers and review all key requirements of a business that serves private individuals and the protections they are afforded. This includes clearly defined processes around key regulatory requirements including anti-money-laundering, client suitability, know-your-client and transaction reporting. A bi-weekly management meeting of directors reviews all compliance matters and reports and if there is anything that requires more immediate attention, there is a reporting framework to elevate issues to board level.

Risk management

Risk management is dealt with at board level and management committee level. Quarterly board meetings address key areas of risk management. Day to day risk management is covered at bi-weekly

management meetings. Where daily issues arise, these are elevated to the CEO who in turn will convene an ad hoc management meeting, if and when required.

Outsourced services

The Existing Oberon Group uses third party system providers for settlement, custodian and nominee and fund pricing services. Providers include Altimis (owned by Objectway), GPP (the trading name for Global Prime Partners Ltd) and Credo Capital.

Data protection

The Existing Oberon Group has adopted the requirements of GDPR and conforms to the FCA's Handbook's requirements relating to data protection. Data protection is raised as an agenda item at Existing Oberon Group board meetings, bi-weekly management meetings and at-risk committee meetings and all employees receive regular training to make sure they are regularly re-appraised of the importance of data protection.

Growth strategy for the enlarged group

The board is firmly committed to grow the enlarged group by adding the right businesses and teams that will thrive under the enlarged group's ownership and entrepreneurial culture. Additionally, it is the intention of the proposed directors that the enlarged group will be launching new funds and wealth management solutions to enhance organic growth rates and by adding services where the enlarged group can take advantage of experienced practitioners, as evidenced by the setting-up of Oberon Capital. The existing Oberon group is currently talking to a number of fund management and wealth management teams with a view to them joining the business and expects to announce progress in this regard during the year ahead. None of these discussions, with the exception of Smythe House, have advanced to more than a preliminary level and there is no guarantee that transactions will be agreed or, if agreed, completed.

Current trading and prospects

The existing Oberon group has traded well through the Covid-19 pandemic and for the quarter ending 30 June 2020 reported record revenues. Since then the completion of the acquisition of the Hanson Asset Management business by the Existing Oberon Group has further significantly boosted revenues. The proposed directors have been pleased with the initial progress of its acquisitions under the existing group's ownership and view the future with confidence.

Summary of financial information

Oberon's revenues have grown from £0.99 million in the year ended 31 October 2018 to £1.445 million in the 17 months ended 31 March 2020. The revenue for the 6 months ended 30 September 2020 was £1.2 million. These revenues were made up as shown below:

	Six months ended 30 September 2020	17 months ended 31 March 2020	Year ended 31 October 2018
	£	£	£
Commissions	664,412	843,435	604,885
Investment management fees	451,103	528,178	385,228
Corporate finance income	88,220	74,000	—
	<u>1,203,735</u>	<u>1,445,613</u>	<u>990,113</u>

Oberon's losses before tax were £0.53 million in the year ended 31 October 2018, £1.77 million in the 17 months ended 31 March 2020 but reduced to £0.51 million for the 6 months ended 30 September 2020.

Oberon's AUM have increased from c. £100 million in 2018 to c. £375 million in December 2020.

Proposed Directors

The following table lists the names, positions and ages of the Proposed Directors, all of whom are to be appointed with effect from Admission.

Name	Age	Position
The Hon Robert William Hanson	60	Proposed Non-Executive Chairman
Simon Philip McGivern	47	Proposed Chief Executive Officer
The Hon Alexander Robert Hambro	59	Proposed Non-Executive Director
John Geoffrey Beaumont	57	Proposed Finance Director

The Hon Robert William Hanson, Aged 60, Proposed Non-Executive Chairman

Robert Hanson founded Hanson Asset Management Ltd. and Hanson Capital Ltd. and has been Chairman or CEO of 8 different companies. Robert is Chairman of Hanson Capital Investments Ltd., Chairman of Hanson Family Holdings Ltd., Chairman for Sinojie Hanson Ltd. and Co-Chairman & Managing Partner at Millennium Hanson Advisors LLC. He is also on the board of GoviEx Uranium, Inc., Greening Donald Co. Ltd., John K & Luise V Hanson Foundation and Sport & Artist Management Ltd. and Member of Institute of Corporate Directors.

Robert previously held the positions of Chairman for Strand Hanson Ltd. and Chairman of Hanson Asset Management Ltd. Robert's corporate broking background included roles as Chairman at Stockdale Securities Ltd. and Associate Director at N.M. Rothschild & Sons Ltd.

Robert achieved an MA in English Literature from St Peter's College Oxford.

Simon Philip McGivern, Aged 47, Proposed Chief Executive Officer

Simon started his professional career at Panmure Gordon Asset Management in 1996 where he worked in the wealth management division for six years. He focused on investment management and financial analysis. In 2002, Simon left the City. He founded a number of companies, including Handpicked Companies, an ecommerce venture, which he grew substantially and exited via a trade sale to News Corp in 2014. Simon also founded Litebulb Group in 2008, which went from two people and in the first year of trading to 100 staff and £25m in sales when he left in 2015. During his time there, Simon executed six acquisitions, raised over £10m in funding and led its IPO on AIM in 2010. Additionally, Simon was a founder director of Cleeve Capital plc (now Bigblu Broadband) and oversaw its IPO on the Standard List in December 2014 and the reverse takeover of Satellite Solutions Worldwide. He also set up and is a director of Map Ventures in 2015, a corporate advisory firm.

Simon founded Oberon in November 2018 and led the acquisition of M.D. Barnard. He is regulated by the FCA as SMF1 Chief Executive and SMF3 Executive Director.

The Hon Alexander Robert Hambro, Aged 58, Proposed Non-Executive Director

Alex Hambro has worked in the venture and private equity sector both in the UK and USA for much of his career, during which time he has acted as a principal investor, manager and sponsor of private equity and venture capital management teams and adviser on private equity investment strategies. Alex is an active personal investor in small, growth-oriented private and public companies. As well as his role at Oberon, Alex is Chairman of AIM-listed Judges Scientific plc; Falanx Group Ltd and OTAQ plc.

He is also a Director of Octopus Apollo VCT plc. In addition to his responsibilities at these listed companies, Alex is also Chairman of IWP Holdings Ltd; Crescent Capital Ltd; and a non-executive director of Time Partners Ltd.

Alex is currently a principal at Welbeck Capital Partners, a specialist investment advisory boutique that deploys hybrid debt/equity instruments to finance growth opportunities for both private and small-cap AIM companies.

John Geoffrey Beaumont (ACA), Aged 57, Proposed Finance Director

John qualified as a chartered accountant in 1988 with Ernst & Whinney before joining Goldman Sachs in its London equity research department. He specialised in institutional research in the brewing, pubs and leisure sectors. He moved to Smith New Court in 1992, which was acquired by Merrill Lynch in 1995. Whilst at Merrill Lynch, John worked with some of the firm's largest clients including Diageo, Compass Group and Bass, and was consistently ranked highly in the major client surveys. In 2001, John moved to Cheuvreux, the broking arm of Credit Agricole, as Head of Research in London, focusing on corporate research, on a more generalised sector basis, and helped grow both the corporate and secondary business during his time at Kaupthing in London. In 2011, John helped set up Peat & Co and became COO and Head of Finance, where along with his research activities, John is responsible for all the finance and regulatory reporting requirements of the business.

John joined Oberon as Finance Director in March 2020 and is regulated by the FCA as SMF3 Executive Director.

Reasons for Admission to the AQSE Growth Market, subscription and use of proceeds

The directors and the proposed directors believe, having taken relevant advice, that AQSE Growth Market is the appropriate market for the enlarged group. The costs associated with this flotation are considered appropriate, and the ability to use share capital with a share price as currency for acquisitions and as a means of encouraging staff retention, for instance by establishing share plans, are key tools for the business moving forwards.

The proposed directors believe that admission to the AQSE market will position the enlarged group for its next phase of development by further raising its profile, providing it with funding to accelerate organic growth where there are opportunities to do so and enabling it to pursue acquisitions that will expand its geographic reach and/or the range of products and services that it is able to offer. Admission will also enable the enlarged group to incentivise employees and provide shareholders with liquidity.

The Company has arranged the subscription, pursuant to which subscribers have agreed, conditional on Admission, to subscribe for 36,070,250 new Ordinary Shares. The Subscription will raise in total £1,442,810, conditional on admission for the Company.

The subscription shares and the consideration shares will rank pari passu in all respects with the existing ordinary shares, including the right to receive all dividends and other distributions declared, paid or made after the date of issue. None of the subscription shares have been marketed to or will be made available in whole or in part to the public in conjunction with the application for admission.

On admission the Company will have 407,789,775 Ordinary Shares in issue and a market capitalisation of approximately £16.3 million (at the Issue Price).

The Subscription Shares and the Consideration Shares will represent 88.3% of the Enlarged Share Capital of the Company following Admission, be fully paid and rank equally in all respects with the Existing Ordinary Shares.

On Admission, the Proposed Directors will hold 13.34%, in aggregate, of the Enlarged Share Capital.

Option scheme

On or around admission, the Company will adopt a share option scheme. It is intended that options be granted to all qualifying employees of the existing Oberon group. Existing holders of options over Oberon Investments Limited will rollover their options into options over the Company.

Dividend policy

The proposed directors do not intend to recommend the payment of a dividend until the Company has achieved sufficient profitability and the availability of working capital is such that it is prudent to do so. The proposed Directors recognise that dividend payments are a key measure of financial strength and that investor returns through income are important over the longer term. The enlarged group will monitor financial performance, risk and capital adequacy needs and will distribute surplus cash via dividends in future by adopting a progressive dividend policy when it is prudent to do so. No inference should or can be made from any of these statements as to the future profitability of the Company or its ability to pay dividends in the future. All ordinary shares carry equal dividend rights.

Further information and risk factors

Further information is set out in the Admission Document being posted to shareholders of Baskerville and Oberon today.

APPENDIX

The Concert Party

Under the Takeover Code, a concert party arises where persons acting together pursuant to an agreement or understanding (whether formal or informal) co-operate to obtain or consolidate control of, or to frustrate the successful outcome of an offer for, a company subject to the Takeover Code. Control means an interest or interests in shares carrying, in aggregate, 30 per cent. or more of the voting rights of the company, irrespective of whether the holding or holdings give de facto control.

The Company has agreed with the Takeover Panel that certain of the shareholders of Oberon should be considered to be "acting in concert" for the purposes of the Takeover Code (as such term is defined in the Takeover Code). Given that on completion of the Proposals the Concert Party will hold over 50 per cent. of the voting rights of the Company, any transfer of shares in the Company between entities within the Concert Party and any further acquisitions of the Company's shares by any member of the Concert Party, whether individually or collectively, will not be subject to the restrictions of Rule 9 of the Takeover Code, although individual members of the Concert Party will only be able to increase their percentage interests through or between a Rule 9 threshold with the consent of the Takeover Panel.

The Concert Party is made up of Rodger Sargent, a Director and certain shareholders of Oberon. On Admission the Concert Party will hold 61.46 per cent of the Enlarged Share Capital. If all of the Concert Party Shares are issued, the Concert Party would hold 64.55% of the Ordinary Shares on a fully diluted basis.

The Company has agreed with the Takeover Panel that the following Shareholders in Oberon should be considered to be acting in concert in relation to the Company. The members of Concert Party and their respective expected holdings following Admission are set out below.

<i>Member of the Concert Party</i>	<i>Interest in Baskerville</i>	<i>Interest in Oberon</i>	<i>Interest in Enlarged Share Capital</i>	<i>Percentage interest in Enlarged Share Capital on Admission</i>	<i>Options/Warrants</i>	<i>Percentage interest in Enlarged Share Capital fully diluted</i>
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Rodger Sargent	2,500,000	888	8,516,200	2.09%	1,625,000	2.21%
David Evans	1,300,000	3,880	27,587,000	6.77%	175,000	6.03%
Jon Hale	800,000	543	4,478,825	1.10%	200,000	1.02%
Courtney Investments*	3,910,275	1,341	12,995,550	3.19%	0	2.82%
Christopher Akers	3,800,000	447	6,828,425	1.67%	625,000	1.62%
Chris Venner	2,600,000	500	5,987,500	1.47%	150,000	1.33%
Andrew Headley	850,000	2,403	17,130,325	4.20%	150,000	3.75%
Simon Like	90,000	3,000	20,415,000	5.01%	13,550,000	7.38%
Darren Blake	100,000	110	845,250	0.21%	65,000	0.20%
Harry Hyman	160,000	1,239	8,554,225	2.10%	0	1.86%
Timothy Webb	800,000		800,000	0.20%	0	0.17%
Derek Kehoe	3,700,000		3,700,000	0.91%	1,925,000	1.23%
John Like	50,000		50,000	0.01%	0	0.01%
Sarah Webb		1,138	7,709,950	1.89%	0	1.67%
David Sargent		271	1,836,025	0.45%	100,000	0.42%
Simon McGivern		7,787	52,756,925	12.94%	25,711,125	17.04%
James Phillips		849	5,751,975	1.41%	0	1.25%
John Beaumont		169	1,144,975	0.28%	625,000	0.38%
Michael Seabrook		185	1,253,375	0.31%	0	0.27%
Edward Lawson		702	4,756,050	1.17%	0	1.03%
Chris Crawford		255	1,727,625	0.42%	0	0.38%
Paul Gazzard		675	4,573,125	1.12%	0	0.99%
Michael Hennigan		2,717	18,407,675	4.51%	0	4.00%
GMC EBT Limited		710	4,810,250	1.18%	0	1.04%
Basil Sellers**		3,947	26,740,925	6.56%	0	5.81%

MC Peat & Co LLP		114	772,350	0.19%	0	0.17%
Alex Hambro			500,000	0.12%	0	0.11%
Total	20,660,275	33,870	250,629,525	61.46%	44,901,125	64.55%

**including Courtney Investments and Warren Todd, where Warren Todd is beneficiary owner of Courtney Investments*

***including BAS Nominee Australia PTY whose beneficiary owner is Basil Sellers*

**** Charles Peat, who is a member of MC Peat & Co LLP, is subscribing in his personal capacity for 250,000 Subscription Shares but is not included within the Concert Party*

Significant Shareholdings

<i>Shareholder Name</i>	<i>Number of Ordinary Shares at Admission</i>	<i>Percentage Holding %</i>
Rodger Sargent	8,516,200	2.08%
Derek Kehoe	3,700,000	0.90%
Simon McGivern	52,756,925	12.89%
John Beaumont	1,144,975	0.28%
Robert Hanson	Nil	Nil
Alex Hambro	500,000	0.12%
James Cox	5,100,000	1.25%
Canaccord Genuity Wealth Management	3,400,000	0.83%
Michael Wright	1,900,000	0.46%
Mohamed Hanif Patel	1,800,000	0.44%
MD Barnard Nominees Limited	1,475,000	0.36%

Total Voting Rights and Shares in Public Hands

The total number of Ordinary Shares with voting rights in the Company with effect from Admission is 407,789,775. This figure may be used by shareholders as the denominator for the calculations by which they determine if they are required to notify their interest in, or a change of their interest in, the Company under the Financial Conduct Authority's Transparency Rules.

Timetable of Events

Set out below is the timetable of events that the Company is working towards for Admission to the Access Segment of the AQSE Stock Exchange on 9 February 2021.

Latest time and date for receipt of Forms of Proxy	10:00 a.m. on 4 February 2021
General Meeting	10:00 a.m. on 8 February 2021
Cancellation of Standard Listing	4.30 p.m. on 8 February 2021
Completion of Acquisition and Admission of the Enlarged Share Capital	9 February 2021
Commencement of dealings on the AQSE Growth Market and the Consideration Shares, and Subscription Shares credited to CREST accounts (where applicable)	9 February 2021
Despatch of share certificates (where applicable)	23 February 2021

