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If you have sold or otherwise transferred all of your Shares, please send this document at once to the purchaser or transferee or to the bank, stockbroker or other agent through whom or by whom the sale or transfer was made, for delivery to the purchaser or transferee. However, the distribution of this document, together with any accompanying documents, into jurisdictions other than the United Kingdom may be restricted by law. Persons into whose possession this document comes should inform themselves about and observe those restrictions. Any failure to comply with any of those restrictions may constitute a violation of the securities laws of any such jurisdiction.

This document does not constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell, or otherwise dispose of, any security. This document does not constitute a prospectus equivalent document. Any decision to acquire any New Shares in connection with the Share Issuance Programme must be made only on the basis of the information contained in, and incorporated by reference into, any prospectus published by the Company in connection therewith.

AUGMENTUM FINTECH PLC

(Incorporated in England and Wales with company number 11118262 and registered as an investment company under section 833 of the Companies Act 2006)

**Proposals to grant authority to allot New Shares
on a non-pre-emptive basis**

and to amend the Company's investment policy

and

Notice of General Meeting

This document should be read in its entirety. Nevertheless, your attention is drawn to the letter from your Chairman which contains a recommendation from the Board that you vote in favour of the Resolutions to be proposed at the General Meeting.

Notice of a general meeting of the Company to be held at the registered office of the Company at 25 Southampton Buildings, London WC2A 1AL on 8 July 2021 at 11.00 a.m. is set out at the end of this document. The Proposals set out in this document are conditional on Shareholder approval.

In light of the ongoing Covid-19 pandemic and notwithstanding the gradual relaxation of some of the restrictions on public gatherings imposed by the UK Government to combat the spread of the virus, it is likely that the Company will restrict attendance at the meeting to a small number of attendees comprising the required quorum of two Shareholders in person or by proxy and those persons whose attendance is necessary for the conduct of the meeting. Unfortunately, it is likely that all other Shareholders will not be permitted entry to the meeting and all votes will be taken by poll so that all proxy votes are counted.

SHAREHOLDERS ARE THEREFORE ASKED NOT TO ATTEMPT TO ATTEND THE MEETING IN PERSON AND ARE INSTEAD ASKED TO SUBMIT PROXY APPOINTMENTS IN ADVANCE OF THE GENERAL MEETING, EITHER ONLINE OR BY COMPLETING A HARD COPY FORM OF PROXY IN ACCORDANCE WITH THE INSTRUCTIONS SET OUT IN THIS DOCUMENT. SHAREHOLDERS ARE STRONGLY RECOMMENDED TO APPOINT THE CHAIRMAN OF THE MEETING AS THEIR PROXY GIVEN THE RESTRICTIONS ON ATTENDANCE AT THE GENERAL MEETING.

Shareholders who wish to raise questions in relation to the Proposals may do so by emailing info@frostrow.com. The Company will publish a representative sample of these questions, together with the Board's responses, on the Company's website <https://augmentum.vc> in advance of the General Meeting. Please note that all questions should be submitted by close of business on 2 July 2021 to ensure that the Company is able to respond to them in advance of the General Meeting.

To vote on the Resolutions you may vote:

- by logging on to www.signalshares.com and following the instructions;
- by requesting a hard copy form of proxy directly from the Company's Registrar, Link Group; or
- in the case of CREST members, by utilising the CREST electronic proxy appointment service.

In order for a proxy appointment to be valid, you must ensure that you have recorded proxy details using one of the methods set out above by 11.00 a.m. on 6 July 2021.

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EXPECTED TIMETABLE

Latest time and date for receipt of proxy appointments
for use at the General Meeting 11.00 a.m. on 6 July 2021

General Meeting 11.00 a.m. on 8 July 2021

The above times and/or dates may be subject to change and, in the event of such change, the revised times and/or dates will be notified to Shareholders by an announcement through a Regulatory Information Service.

All references to times in this document are to London times.

PART 1 – LETTER FROM THE CHAIRMAN

AUGMENTUM FINTECH PLC

(Incorporated in England and Wales with company number 11118262 and registered as an investment company under section 833 of the Companies Act 2006)

Directors:

Neil England (*Non-executive Chairman*)
Karen Brade (*Non-executive Director*)
David Haysey (*Non-executive Director*)

Registered Office:

25 Southampton Buildings
London WC2A 1AL
United Kingdom

14 June 2021

Dear Shareholder

1 Introduction

The Company has today announced proposals to seek Shareholder authority for the issue of further Shares. The Company has also today published its annual report for the financial year ended 31 March 2021, which sets out details of how the Company has committed Shareholders' funds since IPO and the performance of the portfolio in that period. The Company has now substantially committed its available funds and the Portfolio Manager has identified a considerable pipeline of further investments which could be made in line with the Company's investment objective and policy. Accordingly, following consultation with the Portfolio Manager, the Board has concluded that now is an appropriate time to seek Shareholder authority to allot up to 150 million new Ordinary Shares and/or C Shares (the "**New Shares**") in the period to 31 December 2022, in order to provide the Company with sufficient flexibility to take advantage of the identified pipeline and current fintech opportunity in the UK and wider Europe. The New Shares may be issued pursuant to a share issuance programme ("**Share Issuance Programme**") or otherwise. Further details of the proposed Share Issuance Programme are set out in paragraph 3 below.

The Board has utilised all existing authorities granted by Shareholders to allot further Shares and consequently, in order to provide the Company with greater flexibility to invest in the identified pipeline, a General Meeting is being convened to take place on 8 July 2021 at which Shareholders will be asked to authorise the Board to issue and allot up to 150 million New Shares (representing approximately 107 per cent. of the issued Share capital of the Company as at the date of this document) and to disapply pre-emption rights in respect of the New Shares to be issued.

The Board is also proposing changes to the Company's investment policy (i) to allow the Company a limited ability to invest up to 1 per cent. of the Company's Net Asset Value in seed stage investments, and (ii) given the growth of the Company since IPO, to reduce the amount of cash as a percentage of Gross Assets that the Company expects to hold for the purpose of making follow-on investments and for working capital purposes at any given time. The changes to the investment policy require the approval of Shareholders and such approval will also be sought at the General Meeting.

The General Meeting will be held at the registered office of the Company at 25 Southampton Buildings, London WC2A 1AL on 8 July 2021 at 11.00 a.m. The formal notice convening the General Meeting is set out on pages 16 to 18 of this document. In light of the ongoing Covid-19 pandemic and notwithstanding the gradual relaxation of some of the restrictions on public gatherings imposed by the UK Government to combat the spread of the virus, it is likely that the Company will be required to restrict attendance at the meeting to a small number of attendees comprising the required quorum of two Shareholders and those persons whose attendance is necessary for the conduct of the meeting. Unfortunately, it is likely that all other Shareholders will not be permitted entry to the meeting. Shareholders are therefore strongly recommended to submit a proxy vote in advance of the meeting and to appoint the Chairman of the meeting as their proxy. Please see paragraph 11 below for further information.

The purpose of this document is to provide Shareholders with details of the Proposals and to set out the reasons why the Directors are recommending that Shareholders vote in favour of the Resolutions at the General Meeting.

2 Background to, and reasons for, the Proposals

The Share Issuance Programme

The Company was launched as a closed-ended investment company on 13 March 2018 with the investment objective of generating capital growth over the long term through investment in a focused portfolio of fast growing and/or high potential private financial services technology (“**fintech**”) businesses based predominantly in the UK and wider Europe. The Company carries on business as an investment trust within the meaning of Chapter 4 of Part 24 of the Corporation Tax Act 2010. The Shares of the Company are admitted to the premium segment of the Official List of the FCA and are traded on the premium segment of the London Stock Exchange’s main market.

At IPO the Company launched with a market capitalisation of £94 million and an initial portfolio of assets acquired at a valuation of approximately £33.3 million, substantially deploying the remaining IPO proceeds thereafter. In July 2019 and thereafter in October 2020 the Company raised further funds by the issue of Shares, as well as in December 2020 by the sale of treasury shares, the proceeds of which have been substantially deployed in further opportunities identified by the Portfolio Manager in line with the Company’s investment policy. As at the latest practicable date prior to the publication of this document, the Company has cash and cash equivalent reserves of approximately £19 million, which is partly being held back as a prudent cash buffer as well as being available for making new investments and follow-on investments into the Company’s existing portfolio. Accordingly, the Company has substantially fully committed Shareholders’ funds.

The Portfolio Manager has identified a pipeline of potential opportunities for the Company to invest in high growth disruptive players across the sub-sectors where it focuses. Through the Portfolio Manager’s existing industry relationships, the Company expects to be able to benefit from access to an identified, live pipeline of assets currently in excess of £1 billion across all target sectors and geographies, of which approximately £194 million represents opportunities in active development, and intends to continue to grow the Company’s portfolio.

Accordingly, following consultation with the Portfolio Manager, the Board has concluded that now is an appropriate time to seek to increase the Company’s ability to raise additional equity capital in order to provide the Company with sufficient flexibility to take advantage of the identified pipeline and current fintech opportunity in the UK and wider Europe.

The Company will also be required to publish a prospectus in connection with the Share Issuance Programme. It is expected that the prospectus will be published during June 2021.

The proposed amendments to the Company’s investment policy

As the fintech sector evolves and the scale of the market opportunity becomes more apparent, an increasing volume of investment capital is drawn to the sector. As a result, competition to access some of the most attractive businesses is increasing. One way to get a foot in the door for “Series A” and later rounds is to be an existing investor in an earlier seed investment round. However, at this early seed stage, companies tend to be financed at a local level.

The Portfolio Manager has therefore decided to launch a “**Scout Programme**” in which it will engage a group of individuals who are embedded within the seed stage fintech ecosystem throughout Europe to act as introducers to earlier stage opportunities than those in which the Portfolio Manager would normally have the opportunity to invest, and potentially in locations where the Portfolio Manager doesn’t have a permanent physical presence.

In order to implement the Scout Programme, the Board and Portfolio Manager are recommending that the Company’s investment policy be amended to remove a prohibition on the Company making investments in seed stage businesses. Seed stage businesses are generally regarded as being at the initial round(s) of financing by founders, friends and family as well as angel investors and potentially institutional investors, to develop a new product or service.

It is the Portfolio Manager's current intention that initial investments into seed stage businesses introduced through the Scout Programme will be relatively small in size, typically less than £100,000 each.

As businesses at this seed stage are inherently more risky, it is also proposed that a new investment restriction is included in the investment policy that the aggregate value of seed stage investments will represent no more than 1 per cent. of Net Asset Value.

Separately, to reflect the growth of the Company since IPO, the Board is proposing to reduce the amount of cash as a percentage of Gross Assets that the Company expects to hold at any given time (primarily for making follow-on investments) from 10-20 per cent. to 5-15 per cent.

There is also a minor amendment to the investment policy to align the policy with the terminology commonly used for the sectors in which the Company invests.

The FCA have confirmed that the proposed changes to the Company's investment policy meet the requirements of the Listing Rules of the FCA.

To reflect the above changes, if Resolution 3 is approved by Shareholders, the Company's investment policy will be amended as set out in paragraph 4 below.

Summary of the Proposals

The Proposals involve:

1. the grant to the Directors of the authority to allot up to 150 million New Shares, including pursuant to the Share Issuance Programme, in the period to 31 December 2022;
2. the disapplication of the pre-emption rights contained in the Articles in respect of such number of New Shares; and
3. the amendment of the Company's investment policy as set out in paragraph 4 below.

Resolutions 1 and 2 are necessary in order for the Share Issuance Programme to be implemented.

If Resolution 3 is approved by Shareholders, the Company's investment policy will be amended as set out in paragraph 4 below.

3 Further information on the Share Issuance Programme

The Company will be required to publish a prospectus before it can issue shares pursuant to the Share Issuance Programme. It is expected that the prospectus will be published during June 2021. The Share Issuance Programme will be flexible and have a number of closing dates. The issue of New Shares under the Share Issuance Programme is at the discretion of the Directors.

It is anticipated that the Share Issuance Programme will comprise an initial issue of New Shares (expected to be pursuant to a placing, open offer to existing Shareholders, offer for subscription and intermediaries offer) followed by a further issue or issues by way of private placings and potentially further offers for subscription, open offers and/or intermediaries offers. The final structure of the Share Issuance Programme (in terms of the class of shares to be offered and the means by which they will be offered), size and frequency of each issue of New Shares pursuant to the Share Issuance Programme and the price at which the New Shares will be issued, will be determined at the sole discretion of the Board, in consultation with Peel Hunt, N+1 Singer and the Portfolio Manager.

The issue of New Shares pursuant to the Share Issuance Programme is conditional upon, amongst other things, the passing of Resolutions 1 and 2 to be proposed at the General Meeting, notice of which is set out at the back of this document. The ability to issue New Shares pursuant to the Share Issuance Programme will expire on the earlier of (i) the date being 12 months after the publication of the prospectus by the Company, and (ii) the date on which all of the New Shares available for issue pursuant to the Share Issuance Programme have been issued. The Share Issuance Programme will not be underwritten. Upon expiry of the Share Issuance Programme, it may be renewed by the publication of a further prospectus, or New Shares may continue to be issued as otherwise permitted by law, subject to Shareholder authority to

do so being in place at the relevant time. The Shareholder authority to allot New Shares that is being sought at the General Meeting would expire on 31 December 2022.

It is intended that the New Shares to be issued pursuant to the Share Issuance Programme or otherwise under this authority will be issued on a non-pre-emptive basis, allowing them to be issued to new investors without having to first offer them *pro rata* to existing Shareholders. However, existing Shareholders are expected to be given the opportunity to acquire new Shares, particularly to the extent that issues of New Shares under the Share Issuance Programme include open offers, offers for subscription and/or intermediaries offers, and subject to applicable securities laws. It is anticipated that the initial issue under the Share Issuance Programme will include a placing, an open offer, offer for subscription and intermediaries offer.

Issue price

All new Ordinary Shares issued pursuant to the Share Issuance Programme will be issued at a minimum issue price equal to the prevailing Net Asset Value per Ordinary Share at the time of the relevant allotment together with a premium intended to cover the costs and expenses of the issue of new Ordinary Shares (including, without limitation, any placing commissions).

The issue price of any C Shares issued pursuant to the Share Issuance Programme will be £1.00 per C Share. C Shares will convert into Ordinary Shares on the occurrence of specified events or at specified times and conversion will take place on a net asset value for net asset value basis. The costs and expenses of any issue of C Shares and any other costs and expenses which the Directors believe are attributable to the C Shares will be paid out of the pool of assets attributable to the C Shares and, accordingly, an issue of C Shares will not dilute the prevailing net asset value of the then existing Ordinary Shares held by Shareholders.

The New Shares will be issued in registered form and may be held in certificated or uncertificated form. The new Ordinary Shares (and any Ordinary Shares arising on conversion of C Shares) will rank equally with existing Ordinary Shares, including as to any right to receive dividends (save for any dividends or other distributions declared, made or paid on the Ordinary Shares by reference to a record date prior to the allotment of, or conversion into, the relevant new Ordinary Shares). No fractions of New Shares will be issued.

The maximum number of New Shares available pursuant to the Share Issuance Programme should not be taken as an indication of the number of New Shares that will be issued, which will depend on a wide range of factors including the Company's investment performance, the price at which the Ordinary Shares trade relative to their prevailing net asset value and general market conditions and investor sentiment. However, assuming only new Ordinary Shares are issued pursuant to the Share Issuance Programme and the Share Issuance Programme is fully subscribed, the issued share capital following the closing of the Share Issuance Programme would have increased by approximately 107 per cent. Particularly to the extent that issues of New Shares under the Share Issuance Programme include open offers, offers for subscription and/or intermediaries offers, and subject to applicable securities laws, it is expected that existing Shareholders will be given the opportunity to acquire New Shares pursuant to the Share Issuance Programme. If an existing Shareholder were not to acquire any new Shares in the Share Issuance Programme, and the full number of New Shares available thereunder are issued, such a Shareholder's proportionate voting interest in the Company would be diluted by approximately 52 per cent.

Use of proceeds

The Directors intend to direct the Portfolio Manager to use the net proceeds of the Share Issuance Programme to acquire investments in accordance with the Company's investment objective and policy, in particular including those investments that form part of the identified pipeline.

Admission and dealings

Applications will be made to the FCA and the London Stock Exchange for all the New Shares to be issued pursuant to the Share Issuance Programme to be admitted to the premium listing segment of the Official List and to trading on the premium segment of the London Stock Exchange's main market.

4 The proposed amendments to the Company's investment policy

If approved by Shareholders at the General Meeting, the Company's investment policy will be amended as follows with effect from the end of the General Meeting:

● Investment policy

In order to achieve its investment objective, the Company invests in early or ~~(but not seed)~~ later stage investments in unquoted fintech businesses. The Company intends to realise value through exiting the investments over time.

The Company seeks exposure to early stage businesses which are high growth, with scalable opportunities, and have disruptive technologies in the banking, insurance and wealth and asset management sectors as well as those that provide services to underpin the financial sector and other cross-industry propositions.

Investments are expected to be mainly in the form of equity and equity-related instruments issued by portfolio companies, although investments may be made by way of convertible debt instruments. The Company intends to invest in unquoted companies and will ensure that the Company has suitable investor protection rights where appropriate. The Company may also invest in partnerships, limited liability partnerships and other legal forms of entity. The Company will not invest in publicly traded companies. However, portfolio companies may seek initial public offerings from time to time, in which case the Company may continue to hold such investments without restriction.

The Company may acquire investments directly or by way of holdings in special purpose vehicles or intermediate holding entities (such as the Partnership).

The Management Team has historically taken a board or observer position on investee companies and, where in the best interests of the Company, will do so in relation to future investee companies.

The Company's portfolio is expected to be diversified across a number of geographical areas predominantly within the UK and wider Europe and the Company will at all times invest and manage the portfolio in a manner consistent with spreading investment risk.

The Management Team will actively manage the portfolio to maximise returns, including helping to scale the team, refining and driving key performance indicators, stimulating growth, and positively influencing future financing and exits.

Investment restrictions

The Company will invest and manage its assets with the object of spreading risk through the following investment restrictions:

- the value of no single investment (including related investments in group entities or related parties) will represent more than 15 per cent. of Net Asset Value; ~~and~~
- the aggregate value of seed stage investments will represent no more than 1 per cent. of Net Asset Value; and
- at least 80 per cent. of Net Asset Value will be invested in businesses which are headquartered in or have their main centre of business in the UK or wider Europe.

In addition, the Company will itself not invest more than 15 per cent. of its gross assets in other investment companies or investment trusts which are listed on the Official List.

Each of the restrictions above will be calculated at the time of investment and disregard the effect of the receipt of rights, bonuses, benefits in the nature of capital or by reason of any other action affecting every holder of that investment. The Company will not be required to dispose of any investment or to rebalance the portfolio as a result of a change in the respective valuations of its assets.

Hedging and derivatives

Save for investments made using equity-related instruments as described above, the Company will not employ derivatives of any kind for investment purposes. Derivatives may be used for currency hedging purposes.

Borrowing policy

The Company may, from time to time, use borrowings to manage its working capital requirements but shall not borrow for investment purposes. Borrowings will not exceed 10 per cent. of the Company's Net Asset Value, calculated at the time of borrowing.

Cash management

The Company may hold cash on deposit and may invest in cash equivalent investments, which may include short-term investments in money market type funds and tradeable debt securities.

There is no restriction on the amount of cash or cash equivalent investments that the Company may hold or where it is held. The Board has agreed prudent cash management guidelines with the AIFM to ensure an appropriate risk / return profile is maintained. Cash and cash equivalents are held with approved counterparties, and in line with prudent cash management guidelines, agreed with the Board, AIFM and Portfolio Manager.

It is expected that the Company will hold between 5~~4~~0 and 10~~20~~ per cent. of its Gross Assets in cash or cash equivalent investments, for the purpose of making follow-on investments in accordance with the Company's investment policy and to manage the working capital requirements of the Company.

Changes to the investment policy

No material change will be made to the investment policy without the approval of Shareholders by ordinary resolution. Non-material changes to the investment policy may be approved by the Board.

In the event of a breach of the investment policy set out above and the investment and gearing restrictions set out therein, the Management Team shall inform the AIFM and the Board upon becoming aware of the same and if the AIFM and/or the Board considers the breach to be material, notification will be made to a Regulatory Information Service.

5 Benefits of the Proposals

The Directors consider that the proposed changes to the investment policy will:

- enable the Company to access opportunities to invest in seed stage investments, which may broaden the network of opportunities to invest at later stages and thereby provide the following benefits for the Company:
 - introduce investment opportunities, enhance knowledge and build a reputation across a broader set of geographies throughout Europe where the Portfolio Manager doesn't have a permanent physical presence and is therefore beyond the reach of the Portfolio Manager's existing resources;
 - introduce investment opportunities and enhance knowledge across a broader set of small, but growing, fintech sub sectors where the Portfolio Manager doesn't have a significant track record of investing;
 - secure participation in later rounds of financing as a result of the Company initially investing in the opportunity at an earlier seed stage investment round, rather than initially investing at the Series A or later rounds, which can have more competitive processes; and
 - leverage the broad range of experience and knowledge of the introducers within the Scout Programme, which can benefit other holdings within the investment portfolio; and
- enable the Company to continue to take a prudent approach to cash management whilst recognising that the Company's Net Asset Value has grown significantly since IPO.

Separately, the Directors consider that the issuance of New Shares, including pursuant to the Share Issuance Programme, will have the following benefits for Shareholders and the Company:

- raise additional funds in a timely manner to enable the Company to take advantage of opportunities to make further investments in accordance with its investment policy;
- increase the market capitalisation of the Company, helping to make the Company attractive to a wider investor base;
- a greater number of Shares in issue should improve liquidity in the secondary market for the Shares and make the Ordinary Shares more attractive to a wider range of investors;
- grow the Company, thereby spreading the Company's fixed running costs across a larger equity capital base which should over time reduce the level of ongoing expenses per Share; and
- give the Company the ability to issue New Shares tactically, so as to manage better the premium to Net Asset Value at which the Shares may trade.

6 Treasury shares

No Ordinary Shares were held in treasury at the date of this document.

7 CREST

The New Shares will be issued in registered form. CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by written instrument. The Articles permit the holding of Shares under the CREST system. Settlement of transactions in the New Shares may take place within the CREST system if any Shareholder so wishes. CREST is a voluntary system and Shareholders who wish to receive and retain share certificates will be able to do so. Shareholders applying for New Shares may elect to receive such shares in uncertificated form if such investor is a system-member (as defined in the CREST Regulations) in relation to CREST.

8 Costs and net proceeds of the Proposals

The aggregate net proceeds of the Share Issuance Programme will depend on the level of subscriptions received, the issue price of any New Shares and the aggregate costs and expenses of the Share Issuance Programme.

As explained at paragraph 3 above under the heading 'Issue price', all new Ordinary Shares issued pursuant to the Share Issuance Programme will be issued at a minimum issue price equal to the prevailing Net Asset Value per Ordinary Share at the time of the relevant allotment together with a premium intended to cover the costs and expenses of the issue of new Ordinary Shares. To the extent that this premium does not cover the costs and expenses of a given issue of new Ordinary Shares, the Company may seek to recover such costs by the premium at which new Ordinary Shares are issued under any subsequent issues under the Share Issuance Programme, but otherwise would be borne by the Company. The costs and expenses of any issue of C Shares under the Share Issuance Programme will be paid out of the gross proceeds of such issue and will be borne by holders of C Shares only.

The costs and expenses of implementing the proposed changes to the Company's investment policy are negligible.

9 Considerations associated with the Proposals

Shareholders should have regard to the following when considering the Proposals:

- Although it is expected that the Share Issuance Programme may include an open offer to existing Shareholders, issues of New Shares pursuant to the Share Issuance Programme or otherwise may not be made on a pre-emptive basis and so existing Shareholders may participate in the Share Issuance Programme on the same terms as any other third party investor. Shareholders who do not acquire New Shares in the Share Issuance Programme for an amount at least *pro rata* to their existing holding will have their existing percentage holding diluted. Assuming only new Ordinary Shares are issued pursuant to the Share Issuance Programme, if the maximum of 150 million new Ordinary Shares

are issued pursuant to the Share Issuance Programme, there would be a dilution of approximately 52 per cent. in Shareholders' ownership and voting interests in the Company. However, particularly to the extent that issues of New Shares under the Share Issuance Programme include open offers, offers for subscription and/or intermediaries offers, and subject to applicable securities laws, it is expected that existing Shareholders will be given the opportunity to acquire New Shares pursuant to the Share Issuance Programme. Shares issued otherwise than pursuant to the Share Issuance Programme may not be made on a pre-emptive basis.

- The new Ordinary Shares issued pursuant to the Proposals (and the new Ordinary Shares into which any C Shares issued pursuant to the Share Issuance Programme will convert) will rank *pari passu* with the Ordinary Shares then in issue. However, such new Ordinary Shares will have no right to receive dividends or other distributions made, paid or declared, if any, by reference to a record date prior to the allotment of those new Ordinary Shares.
- If the proposed changes to the Company's investment policy are approved, the Company may, through the Scout Programme, make small investments in seed stage opportunities, subject to the new investment restriction that the aggregate value of seed stage investments will represent no more than 1 per cent. of Net Asset Value. Seed investments carry significant risks. Businesses at the seed stage are likely to be newly incorporated with no track record. They have generally not shown proof of concept for their products or services and there can be no guarantee that such products will be developed or that a market for them will develop. A high proportion of seed stage businesses can be expected to fail. Accordingly, there is a significantly higher risk that the Company may lose some or all of its investment in a seed stage opportunity.
- Shareholders should be aware that the past performance of the Company or of the Portfolio Manager or its principals is not necessarily indicative of likely future performance.

10 General Meeting

The Proposals are conditional on the approval by Shareholders of the Resolutions to be proposed at the General Meeting which has been convened for 11.00 a.m. on 8 July 2021.

Resolution 1, which will be proposed as an ordinary resolution, will, if passed, give the Directors the authority to allot up to 150 million New Shares (representing approximately 107 per cent. of the Company's issued share capital as at the date of this document) in the period to 31 December 2022, including pursuant to the Share Issuance Programme.

Resolution 2, which will be proposed as a special resolution and which is conditional on the passing of Resolution 1, will, if passed, grant the Directors authority to allot such New Shares on a non-pre-emptive basis.

Resolution 3, which will be proposed as an ordinary resolution, will, if passed, effect the proposed changes to the Company's investment policy described above.

An ordinary resolution requires a simple majority of members entitled to vote and present in person or by proxy to vote in favour in order for it to be passed. A special resolution requires a majority of at least 75 per cent. of members entitled to vote and present in person or by proxy to vote in favour in order for it to be passed.

In accordance with the Articles, all Shareholders present in person or by proxy shall upon a show of hands have one vote and upon a poll shall have one vote in respect of each Ordinary Share held. In order to ensure that a quorum is present at the General Meeting, it is necessary for two Shareholders entitled to vote to be present, whether in person or by proxy (or, if a corporation, by a representative).

The formal notice convening the General Meeting is set out at the end of this document.

11 Action to be taken in respect of the General Meeting

In light of the ongoing Covid-19 pandemic and notwithstanding the gradual relaxation of some of the restrictions on public gatherings imposed by the UK Government to combat the spread of the virus, it is likely that the Company will be required to restrict attendance at the meeting to a small number of attendees

comprising the required quorum of two Shareholders in person or by proxy and those persons whose attendance is necessary for the conduct of the meeting. **Unfortunately, it is likely that all other Shareholders will not be permitted entry to the meeting and all votes will be taken by poll so that all proxy votes are counted. Shareholders are therefore asked not to attempt to attend the meeting in person and are instead asked to submit proxy appointments in advance of the General Meeting, either online or by completing a hard copy form of proxy in accordance with the instructions set out in this document. Shareholders are strongly recommended to appoint the Chairman of the meeting as their proxy given the restrictions on attendance at the General Meeting.**

To ensure that all Shareholders have an opportunity to engage with the Board, any Shareholder who has a question for the Board is invited to submit it to the Company Secretary via email to info@frostrow.com. The Company will display a representative sample of these questions, together with the Board's responses, on the Company's website <https://augmentum.vc> in advance of the General Meeting. Please note that all questions should be submitted by close of business on 2 July 2021 to ensure that the Company is able to respond to them in advance of the General Meeting.

The Company continues to monitor developments relating to the Covid-19 pandemic and the relaxation of the restrictions imposed by the UK Government, including the guidance and legislation issued by the UK Government. Any changes to the arrangements set out above will be notified to Shareholders by an announcement through a Regulatory Information Service.

Recipients of this document who are the beneficial owners of Ordinary Shares held through a nominee should follow the instructions provided by their nominee or their professional adviser if no instructions have been provided.

Whether or not you are able to attend the General Meeting, please complete and submit your proxy vote online via the share portal at signalshares.com. You will need to log into your Signal Shares account, or register if you have not previously done so. To register you will need your Investor Code which can be found on your share certificate.

If you are unable to locate any of the documents on the Company's website, need help with voting online or require a paper proxy form sent to you, please contact our Registrar, Link Group, by email at enquiries@linkgroup.co.uk, or by calling +44 (0)371 664 0321.

Shareholders who request a paper form of proxy are asked to complete and return the form, in accordance with the instructions printed thereon, to the Company's Registrar Link Group, 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL, United Kingdom.

Shareholders who are CREST members may utilise the CREST electronic proxy appointment service.

In order for a proxy appointment to be valid, you must ensure that you have recorded proxy details using one of the methods set out above by 11.00 a.m. on 6 July 2021.

12 Recommendation to Shareholders

The Board considers that the Proposals are in the best interests of the Company and its Shareholders as a whole. Accordingly the Board unanimously recommends that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting. The Directors intend to vote in favour of the Resolutions in respect of their holdings of Ordinary Shares, amounting to 228,217 Ordinary Shares in aggregate (representing approximately 0.16 per cent. of the issued share capital of the Company as at the date of this document).

Yours faithfully

Neil England
(Chairman)

PART 2 – DEFINITIONS

In this document the words and expressions listed below have the meanings set out opposite them, except where the context otherwise requires:

Articles	the articles of association of the Company in force at the date of this document
C Shares	C Shares of £0.10 each in the capital of the Company having the rights and restrictions set out in the Articles
certificated or in certificated form	not in uncertificated form
Companies Act	the Companies Act 2006, as amended from time to time
Company	Augmentum Fintech plc
CREST	the relevant system as defined in the CREST Regulations in respect of which Euroclear is the operator (as defined in the CREST Regulations) in accordance with which securities may be held in uncertificated form
CREST Regulations	the Uncertificated Securities Regulations 2001 (SI 2001 No. 2001/3755), as amended
Directors or Board	the board of directors of the Company
Disclosure Guidance and Transparency Rules	the disclosure guidance and transparency rules contained in the FCA's Handbook of Rules and Guidance
Euroclear	Euroclear UK & Ireland Limited
FCA	the UK Financial Conduct Authority
FSMA	the UK Financial Services and Markets Act 2000, as amended
General Meeting	the general meeting of the Company to be held at the registered office of the Company at 25 Southampton Buildings, London WC2A 1AL on 8 July 2021 at 11.00 a.m. for the purpose of approving the Resolutions
Gross Assets	the gross assets of the Company as determined in accordance with the accounting principles adopted by the Company from time to time
London Stock Exchange	London Stock Exchange plc
Management Team	the investment management team of the Portfolio Manager from time to time
Net Asset Value or NAV	the value of the assets of the Company less its liabilities, determined in accordance with the accounting principles adopted by the Company from time to time
Net Asset Value per Ordinary Share or NAV per Ordinary Share	the Net Asset Value attributable to the Ordinary Shares divided by the number of Ordinary Shares in issue (excluding treasury shares)
N+1 Singer	each of Nplus1 Singer Capital Markets Limited and Nplus1 Singer Advisory LLP

New Shares	means the new Ordinary Shares and/or the new C Shares, as the context may require, to be issued pursuant to the Share Issuance Programme or otherwise
Official List	the official list maintained by the FCA
Ordinary Shares	ordinary shares of £0.01 each in the capital of the Company
Partnership	Augmentum I LP, a limited partnership registered in Jersey and a wholly-owned subsidiary of the Company
Peel Hunt	Peel Hunt LLP
Portfolio Manager	Augmentum Fintech Management Limited
Proposals	the proposals to seek Shareholder authority to issue and allot up to 150 million Ordinary Shares and/or C Shares pursuant to the Share Issuance Programme or otherwise, to disapply pre-emption rights in respect of the New Shares to be issued pursuant to the Share Issuance Programme or otherwise, and to change the Company's investment policy, as more fully described in Part 1 of this document
Register of Members	the register of members of the Company
Regulatory Information Service	a service authorised by the FCA to release regulatory announcements to the London Stock Exchange
Resolutions	the resolutions to be proposed at the General Meeting in connection with the Proposals
Shareholder	a holder of Shares
Shares	Ordinary Shares and/or C Shares, as the context may require
Share Issuance Programme	the proposed share issuance programme of Ordinary Shares and/or C Shares as more fully described in the Letter from the Chairman at Part 1 of this document
UK or United Kingdom	the United Kingdom of Great Britain and Northern Ireland
uncertificated or in uncertificated form	a Share recorded on the Register as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST

NOTICE OF GENERAL MEETING

AUGMENTUM FINTECH PLC

(Incorporated in England and Wales with company number 11118262 and registered as an investment company under section 833 of the Companies Act 2006)

Notice is hereby given that a General Meeting of Augmentum Fintech plc (the “**Company**”) will be held at the registered office of the Company at 25 Southampton Buildings, London WC2A 1AL on 8 July 2021 at 11.00 a.m. to consider and, if thought fit, approve the following resolutions, in the case of Resolutions 1 and 3 as an ordinary resolution and in the case of Resolution 2 as a special resolution:

ORDINARY RESOLUTION

- 1 **THAT**, conditional on the passing of Resolution 2 below (but for its own conditionality on the passing of this Resolution 1), the directors of the Company (the “**Directors**”) be and are hereby generally and unconditionally authorised, in substitution for any existing authorities, pursuant to and in accordance with section 551 of the Companies Act 2006 (the “**Companies Act**”) to exercise all the powers of the Company to allot up to 150 million Ordinary Shares and/or C Shares in aggregate, such authority to expire on 31 December 2022 (unless previously revoked or varied by the Company in general meeting), save that the Company may, at any time prior to the expiry of such authority, make an offer or enter into an agreement which would or might require Ordinary Shares and/or C Shares to be allotted and the Directors may allot Ordinary Shares and/or C Shares in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

SPECIAL RESOLUTION

- 2 **THAT**, conditional on the passing of Resolution 1 above, in substitution for any existing authorities, the Directors be and are hereby empowered, pursuant to section 570 of the Companies Act to allot Ordinary Shares and/or C Shares for cash pursuant to the authority referred to in Resolution 1 above as if section 561 of the Companies Act did not apply to any such allotment, provided that this authority shall expire on 31 December 2022 (unless previously revoked or varied by the Company in general meeting), save that the Company may, at any time prior to the expiry of such power, make an offer or enter into an agreement which would or might require Ordinary Shares and/or C Shares to be allotted after the expiry of such power, and the Directors may allot Ordinary Shares and/or C Shares in pursuance of such an offer or agreement as if such power had not expired.

ORDINARY RESOLUTION

- 3 **THAT** the investment policy of the Company be amended and restated to read as follows:

Investment policy

In order to achieve its investment objective, the Company invests in early or later stage investments in unquoted fintech businesses. The Company intends to realise value through exiting the investments over time.

The Company seeks exposure to early stage businesses which are high growth, with scalable opportunities, and have disruptive technologies in the banking, insurance and wealth and asset management sectors as well as those that provide services to underpin the financial sector and other cross-industry propositions.

Investments are expected to be mainly in the form of equity and equity-related instruments issued by portfolio companies, although investments may be made by way of convertible debt instruments. The Company intends to invest in unquoted companies and will ensure that the Company has suitable investor protection rights where appropriate. The Company may also invest in partnerships, limited liability partnerships and other legal forms of entity. The Company will not invest in publicly traded companies. However, portfolio companies may seek initial public offerings from time to time, in which case the Company may continue to hold such investments without restriction.

The Company may acquire investments directly or by way of holdings in special purpose vehicles or intermediate holding entities (such as the Partnership).

The Management Team has historically taken a board or observer position on investee companies and, where in the best interests of the Company, will do so in relation to future investee companies.

The Company's portfolio is expected to be diversified across a number of geographical areas predominantly within the UK and wider Europe and the Company will at all times invest and manage the portfolio in a manner consistent with spreading investment risk.

The Management Team will actively manage the portfolio to maximise returns, including helping to scale the team, refining and driving key performance indicators, stimulating growth, and positively influencing future financing and exits.

Investment restrictions

The Company will invest and manage its assets with the object of spreading risk through the following investment restrictions:

- the value of no single investment (including related investments in group entities or related parties) will represent more than 15 per cent. of Net Asset Value;
- the aggregate value of seed stage investments will represent no more than 1 per cent. of Net Asset Value; and
- at least 80 per cent. of Net Asset Value will be invested in businesses which are headquartered in or have their main centre of business in the UK or wider Europe.

In addition, the Company will itself not invest more than 15 per cent. of its gross assets in other investment companies or investment trusts which are listed on the Official List.

Each of the restrictions above will be calculated at the time of investment and disregard the effect of the receipt of rights, bonuses, benefits in the nature of capital or by reason of any other action affecting every holder of that investment. The Company will not be required to dispose of any investment or to rebalance the portfolio as a result of a change in the respective valuations of its assets.

Hedging and derivatives

Save for investments made using equity-related instruments as described above, the Company will not employ derivatives of any kind for investment purposes. Derivatives may be used for currency hedging purposes.

Borrowing policy

The Company may, from time to time, use borrowings to manage its working capital requirements but shall not borrow for investment purposes. Borrowings will not exceed 10 per cent. of the Company's Net Asset Value, calculated at the time of borrowing.

Cash management

The Company may hold cash on deposit and may invest in cash equivalent investments, which may include short-term investments in money market type funds and tradeable debt securities.

There is no restriction on the amount of cash or cash equivalent investments that the Company may hold or where it is held. The Board has agreed prudent cash management guidelines with the AIFM to ensure an appropriate risk / return profile is maintained. Cash and cash equivalents are held with approved counterparties, and in line with prudent cash management guidelines, agreed with the Board, AIFM and Portfolio Manager.

It is expected that the Company will hold between 5 and 15 per cent. of its Gross Assets in cash or cash equivalent investments, for the purpose of making follow-on investments in accordance with the Company's investment policy and to manage the working capital requirements of the Company.

Changes to the investment policy

No material change will be made to the investment policy without the approval of Shareholders by ordinary resolution. Non-material changes to the investment policy may be approved by the Board.

In the event of a breach of the investment policy set out above and the investment and gearing restrictions set out therein, the Management Team shall inform the AIFM and the Board upon becoming aware of the same and if the AIFM and/or the Board considers the breach to be material, notification will be made to a Regulatory Information Service.

By Order of the Board

Frostrow Capital LLP
Company Secretary

Dated 14 June 2021

Registered Office:
25 Southampton Buildings
London
WC2A 1AL

Notes:

These notes should be read in conjunction with the notes on the form of proxy.

1. Voting record date

Only members registered in the Register of Members of the Company at close of business on 6 July 2021 shall be entitled to attend and vote at the General Meeting in respect of the number of voting rights registered in their name at that time. Changes to entries on the Register of Members after close of business on 6 July 2021 shall be disregarded in determining the rights of any person to attend and vote at the General Meeting. Please see Note 3 below in relation to the restrictions around physical attendance at the meeting due to Covid-19.

If the General Meeting is adjourned for no more than 48 hours after the original time, the same voting record date will also apply for the purpose of determining the entitlement of members to attend, speak and vote (and for the purpose of determining the number of votes they may cast) at the adjourned meeting. If the General Meeting is adjourned for more than 48 hours, then the voting record date will be the close of business on the day which is two days (not including any part of a day that is not a business day) before the day of the adjourned meeting or, if the Company gives notice of the adjourned meeting, at any time specified in that notice.

In the case of joint holders of a voting right, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority shall be determined by the order in which the names stand in the Register of Members in respect of the joint holding.

2. Rights to attend and vote

Members are entitled to attend and vote at the forthcoming General Meeting or at any adjournment(s) thereof. On a poll each member has one vote for every one share held. However, please see Note 3 below in relation to the restrictions around physical attendance at the meeting due to Covid-19.

3. Right to appoint proxies

Pursuant to Section 324 of the Companies Act 2006 (the “Act”), a member entitled to attend and vote at the General Meeting may appoint one or more proxies to attend, speak and vote in its place. Such a member may appoint more than one proxy, provided that each proxy is appointed to exercise the rights attached to different shares held by him. A proxy need not be a member of the Company.

The completion of a form of proxy or any CREST proxy instruction (as described in Note 8) will not in itself preclude a Shareholder from attending and voting in person at the General Meeting. However, as explained in the Chairman’s letter which accompanies this notice of General Meeting, in light of the ongoing Covid-19 pandemic and notwithstanding the gradual relaxation of some of the measures imposed by the UK Government to combat the spread of the virus, including the rules on physical distancing and limitations on public gatherings, Shareholders will not be able to attend the meeting in person. Members are therefore strongly encouraged to submit a proxy vote in advance of the meeting and to appoint the Chairman of the meeting as their proxy. **Your vote will not be counted where a proxy other than the Chairman of the meeting is appointed as additional third parties will not be permitted entry to the meeting.**

If the total number of voting rights that the Chairman will be able to vote (taking into account any proxy appointments from shareholders over which he is given discretion and any voting rights in respect of his own shares) is such that he will have a notifiable obligation under the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority, the Chairman will make the necessary notifications to the Company and to the Financial Conduct Authority. Therefore, any member holding 3 per cent. or more of the voting rights in the Company who grants the Chairman a discretionary proxy in respect of some or all of those voting rights and so would otherwise have a notification obligation under the Disclosure Guidance and Transparency Rules, need not make a separate notification to the Company and to the Financial Conduct Authority. However, any member holding 3 per cent. or more of the voting rights in the Company who appoints a person other than the Chairman as proxy will need to ensure that both the member and the proxy comply with their respective disclosure obligations under the Disclosure Guidance and Transparency Rules. Section 324 does not apply to persons nominated to receive information rights pursuant to Section 146 of the Act. Persons nominated to receive information rights under Section 146 of the Act have been sent this Notice of General Meeting and are hereby informed, in accordance with Section 149(2) of the Act, that they may have the right under an agreement with the registered member by whom they are nominated to be appointed, or to have someone else appointed, as a proxy for this Meeting. If they have such right or do not wish to exercise it, they may have a right under such an agreement to give instructions to the member as to the exercise of voting rights.

Nominated persons should contact the registered member by whom they were nominated in respect of these arrangements. The statement of rights of shareholders in relation to the appointment of proxies in this paragraph does not apply to nominated persons.

4. Proxies’ rights to vote at the General Meeting

On a vote on a show of hands, each proxy has one vote.

If a proxy is appointed by more than one member and all such members have instructed the proxy to vote in the same way, the proxy will only be entitled, on a show of hands, to vote “for” or “against” as applicable. If a proxy is appointed by more than one member, but such members have given different voting instructions, the proxy may, on a show of hands, vote both “for” and “against” in order to reflect the different voting instructions.

On a poll, all or any of the voting rights of the member may be exercised by one or more duly appointed proxies. However, where a member appoints more than one proxy, Section 285(4) of the Companies Act does not authorise the exercise by the proxies taken together of more extensive voting rights than could be exercised by the member in person.

5. Voting by corporate representatives

Corporate representatives are entitled to attend and vote on behalf of the corporate member in accordance with Section 323 of the Companies Act provided they do not do so in relation to the same shares. However, please see Note 3 above in relation to the restrictions around physical attendance at the meeting due to Covid-19.

6. Receipt and termination of proxies

To be valid a proxy vote must be lodged with the Company's Registrar online, or if by post to Link Group, 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL, United Kingdom, before 11.00 a.m. on 6 July 2021.

A member may terminate a proxy's authority at any time before the commencement of the General Meeting. Termination must be provided in writing and submitted to the Company's Registrar. In accordance with the Company's Articles of Association, in determining the time for delivery of proxies, no account shall be taken of any part of a day that is not a working day.

7. Communication with the Company

Members may not use any electronic address provided either in the Notice of General Meeting or any related documents (including a form of proxy) to communicate with the Company for any purpose other than those expressly stated.

8. Electronic receipt of proxies

To appoint one or more proxies or to give an instruction to a proxy (whether previously appointed or otherwise) via the CREST system, CREST messages must be received by the Company's agent (ID number RA10) no later than the deadline specified in Note 6. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp generated by the CREST system) from which the issuer's agent is able to retrieve the message. The Company may treat as invalid a proxy appointment sent by CREST in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001. Instructions on how to vote through CREST can be found on the website www.euroclear.com.

9. Questions at the General Meeting

Any member attending the General Meeting has the right to ask questions. Section 319A of the Companies Act requires the Directors to answer any question raised at the General Meeting which relates to the business of the General Meeting, although no answer need be given:

- (a) if to do so would interfere unduly with the proceedings of the General Meeting or involve disclosure of confidential information;
- (b) if the answer has already been given on the Company's website; or
- (c) if it is undesirable in the best interests of the Company or the good order of the General Meeting that the question be answered.

However, please see note 3 above in relation to the restrictions around physical attendance at the meeting due to Covid-19. Please also see the Chairman's letter accompanying this notice of General Meeting, which sets out alternative arrangements to allow members to ask questions by email in advance of the General Meeting.

10. Website

A copy of the Notice of the General Meeting, including these explanatory notes and other information required by Section 311A of the Companies Act, is included on the Company's website, <https://augmentum.vc>.

11. Total voting rights at date of notice

As at 11 June 2021 (being the last practicable date prior to the publication of this Notice) the total number of shares in the Company in issue is 140,423,291. The total number of voting rights on that date is therefore 140,423,291.