

THIS DOCUMENT AND THE ACCOMPANYING DOCUMENTS ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document and the accompanying documents and/or the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) ("FSMA") who specialises in advising on the acquisition of shares and other securities if you are in the United Kingdom or, if not, another appropriately authorised independent financial adviser. Investment in the Company is speculative and involves a high degree of risk. Your attention is also drawn to the section headed "Risk Factors" in Part III of this document.

If you have sold or otherwise transferred all of your Existing Ordinary Shares, please immediately forward this document, together with any accompanying Application Form (having completed Box 10 on the Application Form) to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee except that such documents should not be sent to any jurisdiction where to do so might constitute a violation of local securities laws or regulations including, but not limited to, the United States and any other Excluded Jurisdictions. If you have sold only part of your holding of Existing Ordinary Shares, you should contact your stockbroker, bank or other agent through whom the sale or transfer was affected immediately.

The Company and the Directors, whose names and functions appear on page 9 of this document, accept responsibility, both collectively and individually, for the information contained in this document including individual and collective responsibility for compliance with the AIM Rules. To the best of the knowledge and belief of the Directors and the Company (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information. This document does not constitute an offer of transferable securities to the public within the meaning of section 102B of FSMA. The issue of the New Ordinary Shares pursuant to the Placing and Open Offer will not constitute an offer to the public requiring the publication of an approved prospectus under section 85 of FSMA and accordingly this document does not constitute a prospectus for those purposes. This document is not a prospectus for the purposes of the Prospectus Rules. Accordingly, this document has not been, and will not be, reviewed or approved by the Financial Conduct Authority of the United Kingdom ("FCA"), pursuant to sections 85 and 87 of FSMA, London Stock Exchange or any other authority or regulatory body.

IMAGINATIK PLC

(Incorporated in England and Wales under the Companies Act 1985 with Registered No. 3936915)

Conditional Open Offer of 25,304,766 New Ordinary Shares at 2 pence per New Ordinary Share on the basis of 1 Offer Share for every 6 Existing Ordinary Shares held and conditional firm Placing of 68,731,445 New Ordinary Shares at 2 pence per New Ordinary Share

and

Notice of a General Meeting

The Existing Ordinary Shares are admitted to trading on AIM. Application will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM. It is expected that the Placing Admission will become effective and that dealings will commence on 28 June 2017 and the Offer Admission will become effective and that dealings will commence on 4 July 2017. AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the United Kingdom Listing Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. Each AIM company is required pursuant to the AIM Rules to have a nominated adviser. The London Stock Exchange has not itself examined or approved the contents of this document.

This document should be read as a whole. Your attention is drawn to the letter from the Chairman of the Company which is set out in Part I of this document and to the Risk Factors in Part III of this document. The letter from the Chairman includes a recommendation for you to vote in favour of the Resolutions to be proposed at the General Meeting.

The distribution of this document, the Open Offer Entitlements and/or the Application Form, in jurisdictions other than the UK may be restricted by law and therefore persons into whose possession this document and/or accompanying documents come should inform themselves about and observe any such restrictions. Any failure to comply with any such restrictions may constitute a violation of the securities laws or regulations of such jurisdictions. In particular, subject to certain exceptions, this document, the Open Offer Entitlements and/or the Application Form should not be distributed, forwarded to or transmitted in or into the United States (as defined in Regulation S of the United States Securities Act of 1933, as amended) or the Excluded Jurisdictions. Neither the New Ordinary Shares, the Open Offer Entitlements nor the Application Form have been, nor will they be, registered in the United States under the United States Securities Act of 1933 (the "**Securities Act**"), as amended, or under the securities laws of any of the Excluded Jurisdictions and, subject to certain exceptions, they may not be offered or sold directly or indirectly within or into other Excluded Jurisdictions or to, or for the account or benefit of, any national, citizen or resident of the Excluded Jurisdictions. Subject to certain exceptions, the Offer Shares may not be offered or sold, directly or indirectly, in the United States or to, or for the account or benefit of, U.S. persons (as such terms are defined in Regulation S ("**Regulation S**") under the Securities Act). This document does not constitute an offer to sell or issue or the solicitation of an offer to buy or subscribe for Offer Shares in any jurisdiction in which such offer or solicitation is unlawful.

The New Ordinary Shares will rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid on the Existing Ordinary Shares after Admission.

The Open Offer closes at 11.00 a.m. on 30 June 2017. If you are a Qualifying Shareholder and wish to apply for Offer Shares under the Open Offer you should follow the procedure set out in Part II of this document and complete and return the accompanying Application Form if you are a Qualifying Certificated Shareholder. Qualifying CREST Shareholders will receive a credit to their stock account in CREST of their Open Offer Entitlements. If Qualifying Shareholders have any queries on the procedure for acceptance and payment, or wish to receive another Application Form, they should contact Neville Registrars Limited on 0121 585 1131, where relevant, quoting the serial number of their Application Form. **Calls to Neville Registrars Limited's 0121 585 1131 telephone number are charged at your service**

provider's network standard rate. Calls to Neville Registrars Limited's 0121 585 1131 number from outside the UK are charged at applicable international rates. Different charges may apply to calls made from mobile telephones. Neville Registrars cannot provide advice on the merits of the Proposals nor give any financial, legal or tax advice. Neville Registrars will not give Qualifying Shareholders any other advice in connection with the Open Offer.

A notice convening a General Meeting of the Company is set out at the end of this document. The General Meeting will be held at the offices of the Company's solicitors, Marriott Harrison LLP, at 11 Staple Inn, London WC1V 7QH on 26 June 2017 at 5.00 p.m. **A Form of Proxy for use at the meeting is enclosed with this document and should be completed, signed and returned in accordance with the instructions thereon as soon as possible but in any event so as to be received by the Company's registrars, Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA by no later than 5.00 p.m. on 22 June 2017.** The completion and return of a form of proxy will not preclude you from attending and voting in person at the General Meeting should you wish to do so.

IMPORTANT INFORMATION

Members of the general public are not eligible to take part in the Placing. Shareholders who are not Relevant Persons are not entitled to participate in the Placing. Only those persons (whether or not they are Shareholders) who are Relevant Persons have been invited to take part in the Placing.

finnCap, which is authorised and regulated by the FCA in the United Kingdom, is acting as nominated adviser and broker to the Company. Its responsibilities as the Company's nominated adviser under the AIM Rules are owed solely to the London Stock Exchange and are not owed to the Company or to any Director or to any other person in respect of his decision to acquire New Ordinary Shares in reliance on any part of this document. No representation, responsibility or warranty, expressed or implied, is made by finnCap or any of its directors, officers, employees or agents as to any of the contents of this document in connection with the Proposals or any other matter referred to in the document. finnCap will not be offering advice and will not otherwise be responsible for providing customer protections to recipients of this document or for advising them on the contents of this document or any other matter.

This document includes statements that are, or may be deemed to be, forward-looking statements that are based on current expectations or beliefs, as well as assumptions about future events. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "anticipates", "milestones", "targets", "aims", "continues", "expects", "intends", "hopes", "may", "will", "would", "could" or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include matters that are not facts. They appear in a number of places throughout this document and include statements regarding the Directors' intentions, beliefs or current expectations concerning, amongst other things, the Company's results of its operations, financial condition, liquidity, prospects, growth and strategy. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Any forward-looking statements contained in this document based on past trends or activities should not be taken as a representation that such trends or activities will continue in the future. Subject to any requirement under the AIM Rules or other applicable legislation or regulation, neither the Company nor finnCap undertakes any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Undue reliance should not be placed on

forward-looking statements, which speak only as of the date of this document. There are several factors which could cause actual results to differ materially from those expressed or implied in forward-looking statements. Among the factors that could cause actual results to differ materially from those described in the forward-looking statements are changes in expectations and assumptions used and changes in the global, political, economic, business, competitive, market and regulatory forces, future exchange and interest rates and changes in tax rates.

CONTENTS

	<i>Page</i>
Expected Timetable of Principal Events	6
Placing and Open Offer Statistics	8
Part I Letter from the Non-Executive Chairman of Imaginatik	9
Part II Details of the Open Offer	15
Part III Risk Factors	25
Part IV Additional Information	28
Definitions	31
Notice of General Meeting	36

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Record Date for the Open Offer	6.00 p.m. on 8 June 2017
Announcement of the Fundraising	9 June 2017
Application Forms and Circular posted to Qualifying Shareholders	9 June 2017
Ex entitlement date for the Open Offer	8.00 a.m. on 12 June 2017
Entitlements credited to accounts of Qualifying CREST Shareholders	13 June 2017
Latest time and date for receipt of Forms of Proxy for use at the General Meeting	5.00 p.m. on 22 June 2017
Recommended latest time for requesting withdrawal of Open Offer Entitlements and from CREST	4.30 p.m. on 23 June 2017
General Meeting	5.00 p.m. on 26 June 2017
Latest time for depositing Open Offer Entitlements in CREST	3.00 p.m. on 27 June 2017
Placing Admission effective and trading expected to commence in the Placing Shares	8.00 a.m. 28 June 2017
CREST members' accounts credited in respect of Placing Shares in uncertificated form	as soon as possible after 8.00 a.m. on 28 June 2017
Latest time and date for splitting of Application Forms (to satisfy bona fide market claims only)	3.00 p.m. on 28 June 2017
Latest time and date for receipt of completed Application Forms, and payment in full under the Open Offer and settlement of relevant CREST instructions (as appropriate)	11.00 a.m. on 30 June 2017
Share certificates in respect of Placing Shares expected to be dispatched by no later than	3 July 2017
Result of Open Offer announced	by 3 July 2017
Open Offer Admission effective and trading expected to commence in the Accepted Offer Shares	8.00 a.m. 4 July 2017
CREST members' accounts credited in respect of Accepted Offer Shares in uncertificated form	as soon as possible after 8.00 a.m. on 4 July 2017

Share certificates in respect of Accepted Offer
Shares expected to be dispatched by no later
than

13 July 2017

The times and dates set out in the expected timetable of principal events above and mentioned throughout this document and in the Application Form may be adjusted by the Company, in which event the details will be notified to the London Stock Exchange and, where appropriate, to Shareholders

PLACING AND OPEN OFFER STATISTICS

Offer Price and Placing Price	2p
Number of Existing Ordinary Shares in issue at the date of this document	151,828,597
Number of Offer Shares available under the Open Offer	25,304,766
Number of Placing Shares	68,731,445
Number of New Ordinary Shares*	94,036,211
Estimated gross proceeds of the Placing *	£1,374,629
Estimated gross proceeds of the Open Offer*	£506,095
Enlarged Share Capital on Admission*	245,864,808
Percentage of the Enlarged Issued Share Capital represented by the New Ordinary Shares*	38%
Market capitalisation of the Company on Offer Admission at the Offer Price*	£4.9 million

** assuming that the Placing completes and there is maximum take up under the Open Offer.*

PART I
LETTER FROM THE NON-EXECUTIVE CHAIRMAN OF IMAGINATIK

IMAGINATIK PLC

(Incorporated in England and Wales under the Companies Act 1985 with registered number 3936915)

Directors:

Ralph Welborn (*Chief Executive Officer*)
Shawn Taylor (*Chief Operating Officer*)
Matt Cooper (*Non-executive Chairman*)
Simon Charles (*Non-executive Director*)

Registered Office:

27/28 Eastcastle Street
London
W1W 8DH

9 June 2017

To Qualifying Shareholders and, for information purposes only, to the holders of options over Ordinary Shares

Dear Shareholder,

Conditional Open Offer of 25,304,766 New Ordinary Shares at 2 pence per New Ordinary Share on the basis of 1 Offer Share for every 6 Existing Ordinary Shares held and conditional firm Placing of 68,731,445 New Ordinary Shares at 2 pence per New Ordinary Share

1 INTRODUCTION

On 9 June 2017, the Company announced that it proposed to raise £1.4 million (before expenses) by way of a Placing and that it proposed to raise up to £0.5 million by way of an Open Offer, thus allowing the Company's existing Shareholders the opportunity to participate in the fundraising.

The terms of the Placing and Open Offer are described in this document. The aggregated gross proceeds of the Placing and Open Offer are expected to be approximately £1.9 million (assuming maximum take up under the Open Offer). The Placing and Open Offer are conditional, *inter alia*, upon the Placing Admission and Offer Admission respectively and approval of the Resolutions by Shareholders at the General Meeting. Neither the Placing nor the Open Offer is underwritten.

The purpose of this document is to:

- 1 provide you with information about the background to and the reasons for the Proposals; and
- 2 explain why the Board considers the Proposals to be 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 that are necessary to implement the Issue.

2 DETAILS OF THE OPEN OFFER AND PLACING

Qualifying Shareholders are invited to apply for Offer Shares under the Open Offer at a price of 2 pence per Offer Share, payable in full on application and free of all expenses, *pro rata* to their existing shareholdings on the basis of:

1 Offer Share for every 6 Existing Ordinary Shares

held at the Record Date and so on in proportion for any other number of Existing Ordinary Shares then held. Open Offer Entitlements will be rounded down to the nearest whole number of Offer Shares. Fractional entitlements which would have otherwise arisen will not be issued.

The Open Offer is subject to the satisfaction, amongst other matters, of the following conditions on or before 8.00 a.m. on 4 July 2017, or such later date (being not later than 8.00 a.m. on 18 July 2017), as the Company and finnCap may decide:

- (i) the Placing Agreement becoming unconditional in all respects and not having been terminated in accordance with its terms; and
- (ii) Offer Admission becoming effective.

The Open Offer has been structured so as to allow Qualifying Shareholders to subscribe for Offer Shares at the Offer Price *pro rata* to their holdings of Existing Ordinary Shares. To the extent that Offer Shares are not subscribed by Qualifying Shareholders, Open Offer Entitlements will lapse. Further details of the Open Offer and the procedure for application are given in Part II of this document. **The Placing and the Open Offer are not inter-conditional.**

finnCap has, pursuant to the Placing Agreement, undertaken to use its reasonable endeavours to place the Broker Placing Shares with certain other investors, conditional upon the passing of the Resolutions, the Placing Agreement becoming unconditional in all respects and not having been terminated in accordance with its terms and on Placing Admission. In addition, Directors and members of the management team have conditionally agreed directly with the Company to subscribe for 10,882,163 Company Placing Shares.

I, Matt Cooper, have given a commitment to subscribe in person or by a nominee, for 10,000,000 Company Placing Shares, representing 14.55 per cent. of the Placing Shares.

Shawn Taylor has given a commitment to subscribe in person or by a nominee, for 300,000 Company Placing Shares, representing 0.44 per cent. of the Placing Shares.

Ralph Welborn has given a commitment to subscribe in person or by a nominee, for 582,163 Company Placing Shares, representing 0.85 per cent. of the Placing Shares.

The subscriptions by Matt Cooper, Shawn Taylor and Ralph Welborn constitute a related party transaction for the purposes of the AIM Rules. The Independent Director, Simon Charles, considers, having consulted with finnCap as the Company's nominated adviser, that the terms of Matt Cooper, Shawn Taylor and Ralph Welborn's participation in the Placing is fair and reasonable insofar as Shareholders are concerned.

Simon Charles has undertaken to subscribe for 450,530 Open Offer Shares (being his maximum entitlement).

The New Ordinary Shares will, when issued and fully paid, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid after the date of Admission.

Settlement and dealings

Separate application will be made to the London Stock Exchange for the Placing and Accepted Offer Shares to be admitted to trading on AIM. It is expected that Placing Admission will become effective and that dealings will commence on 28 June 2017 and

Offer Admission will become effective and that dealings will commence on 4 July 2017. Further information in respect of settlement and dealings in the New Ordinary Shares is set out in paragraph 7 of Part II of this document.

Overseas Shareholders

It is the responsibility of any person receiving a copy of this document and/or the Application Form outside the United Kingdom to satisfy himself as to the full observance of the laws and regulatory requirements of the relevant territory in connection therewith, including obtaining any governmental or other consents which may be required or observing any other formalities required to be observed in such territory and paying any other issue, transfer or other taxes due in such other territory. If in doubt, such persons should consult their professional advisers. Persons (including, without limitation, nominees and trustees) receiving this document and/or the Application Form should not, in connection with the Proposals, distribute or send it into any jurisdiction when to do so would, or might contravene local securities laws or regulations. Any person who does forward this document into any such jurisdictions should draw the recipient's attention to the contents of paragraph 6 of Part II of this document regarding Overseas Shareholders. **If you are an Overseas Shareholder, it is important that you read that part of this document.**

3 USE OF PROCEEDS

The aggregated gross proceeds of the Issue are expected to be approximately £1.9 million (assuming maximum take up under the Open Offer). A proportion of the net proceeds will be invested in sales and marketing for the Company's partnership channels. The Company has been developing its partnership channels providing the technology platform and consultancy services to both the partner and to the partner's customer base as part of a jointly developed innovation offering. For this the Company receives subscription revenues and consulting fees and will also be entitled to receive success-based fees based on the total contract value of the joint offering. The Company will also use the proceeds to invest in both new and existing technology. The focus on existing technology will be to: improve reporting; mobile enablement; and user experience. Spend on new product development will be primarily focussed on further enhancing the analytical tools. The balance of the net proceeds will provide additional working capital to help reduce the seasonality in the sales pipeline and protect strategic options as the market evolves. The Directors believe that the Open Offer is the most equitable and efficient method to allow as many Shareholders to participate in the Company's future as possible.

4 CURRENT TRADING AND FUTURE PROSPECTS

Current Status

The Company is one of the leading global providers of innovation technology, consulting and advisory services. The Directors believe that it is clear that those companies that have innovation as part of their corporate DNA give themselves the opportunity to thrive in the business world whilst those companies that are less innovative find it increasingly difficult to compete and to thrive. That message is now being heard and understood.

The management of the Company believe that there is a significant opportunity that is ready to be seized, with the innovation market expanding, a growing spend on innovation and new buyers entering the market. Management believe these buyers are

now more senior than previously seen, with access to larger budgets. These are senior people who recognise that having an embedded innovation competence within their organisations is critical to corporate success, however the great majority are still unclear on what they need to do in order to and instil an innovation capability. This is our opportunity.

Over the last few years the Company has continued to refine its suite of offerings in order to better address the market it serves. The Company has three main offerings;

a) Innovation strategy advisory

This involves advisory consulting to help senior executives build and develop their corporate innovation programs, such programs of work typically last one to three months.

b) Innovation capability building

This type of consulting is more operational in nature involving the Company providing workshops, training, facilitation and innovation management services in support of a client's ongoing program. These activities are frequently project based with delivery taking place over a few months, but may also be embedded within annual contracts sitting alongside a technology purchase.

c) Innovation software platform

The Company provides an enterprise innovation software platform that enables large global organisations to scale innovation practices across the enterprise in a repeatable way. This is usually deployed as annual or multi-year software as a service ("SaaS") contracts.

The Company is the market leader in the space, offering the most complete innovation solution. In 2016 it was described by a leading independent technology and market research company as having the "most comprehensive innovation management solution". The report also ranked Imaginatik above all other market competitors in terms of its current suite of offerings as well as its strategy.

Client Base

In the last year the Company has added a further 15 clients to the list, with 11 in the US and 4 in Europe. The new additions in the US include two global healthcare companies, one of the world's largest human resource consulting firms, and several US based global financial services companies. Those in Europe include a multi-national pharmaceutical company as well as a new oil and gas research organisation.

Recent Company Developments

In the last year the Company has invested in a number of new personnel, mostly in the US, spanning both technology development and software sales. The Company appointed David Boghossian as General Manager, Software in November 2016. David is based in Boston and has a remit to be the interface between our technology and sales activities, as well as assisting all of the sales team with their sales pursuits. David is a Harvard graduate with over 25 years' experience in running technology businesses. The Company also appointed Kai Chuang as its Boston based Chief Technology Officer. Kai has more than 20 years' experience in creating digital technology solutions and has previously worked at Accenture and Google.

The Company has progressed its technology roadmap with a future focus to be on further enhancing the analytic tools for use within the innovation central technology platform as well as a series of playbooks to enable clients to make better use of the technology.

The Company has spent a great deal of time in the second half of the financial year developing a series of partnerships with re-sellers of the Company's technology and associated consulting services.

Financial Review

The following is based on the unaudited accounts of the Company for the year ended 31 March 2017 and the trading update issued to the market on 25 April 2017.

The Company had an improved year of trading with results broadly in line with market expectations, with annual losses falling to c£0.55m on recognised revenues of approximately £3.9m (2016:£3.9m). The Company reports that it had 15 new client wins in the period, with 11 occurring in the second half of the financial year as sales momentum started to build. Customer churn was higher in the current year than had been seen in the past, with 76% of available renewals by value being converted. More recently this renewal rate was far higher at approximately 90%. The higher churn in the year to 31 March 2017 was the result of the loss of two clients in the main, the first loss was the result of the client being acquired, an event that resulted in the loss of the entire innovation team. The second client underwent cost reductions resulting in the loss of their innovation programme.

The Board is encouraged by the development of the sales pipeline, which has grown significantly in the second half of the financial year as opportunities arising from the growing market for our technology and services as well as the newly developed partnership channels is starting to become more evident.

Outlook

The Company will look to add further US based sales and consulting resources to take full advantage of the sales opportunities afforded by the developing partnerships and growing innovation market as a whole. The Company also intends to maintain its focus on adding to its existing technology products and consulting deliverables in order to grow its client base and maintain its leading position in the market.

5 ACTION TO BE TAKEN IN RESPECT OF THE OPEN OFFER

If you are a Qualifying Shareholder whose Existing Ordinary Shares are not held in CREST you will find an Application Form accompanying this document which gives details of your Open Offer Entitlement (i.e. the number of Offer Shares provisionally allocated to you). If you wish to apply for Offer Shares under the Open Offer, you should complete the enclosed Application Form in accordance with the procedure set out at paragraph 3 of Part II of this document and on the Application Form itself and post it in the accompanying prepaid envelope, together with payment in full in respect of the number of Offer Shares applied for to Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA so as to arrive as soon as possible and in any event so as to be received no later than 11.00 a.m. on 30 June 2017, having first read carefully Part II of this document and the contents of the Application Form.

Qualifying CREST Shareholders will instead receive a credit to their stock account in CREST of their Open Offer Entitlements.

The latest time for applications to be received under the Open Offer is 11.00 a.m. on 30 June 2017.

The procedures for application and payment are set out in Part II of this document. Further details also appear on the accompanying Application Form which is being sent to Qualifying Shareholders.

6 ACTION TO BE TAKEN IN RESPECT OF THE GENERAL MEETING

Set out at the end of this document is a notice convening a General Meeting to be held at the offices of the Company's solicitors, Marriott Harrison LLP, at 11 Staple Inn, London WC1V 7QH on 26 June 2017 at 5:00 p.m. at which the Resolutions will be proposed. The Resolutions are required to grant the Directors sufficient authority under the Act and under the Articles of Association of the Company to allot and issue the New Ordinary Shares pursuant to the Issue. If the Resolutions are not passed at the General Meeting then the Issue will not complete. **Shareholders are encouraged to vote in favour of the Resolutions and to return their Form of Proxy in support of the Resolutions.**

A Form of Proxy for use at the General Meeting is enclosed. The Form of Proxy should be completed and signed in accordance with the instructions on it and returned to the Company's registrars, Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA as soon as possible, but in any event so as to be received not later than 5:00 p.m. on 22 June 2017. The completion and return of a Form of Proxy will not preclude you from attending the General Meeting and voting in person should you so wish.

7 RISKS AND ADDITIONAL INFORMATION

Shareholders' attention is drawn to the risk factors set out in Part III of this document and to the additional information set out in Part IV of this document. **Shareholders are advised to read the whole of this document.**

8 RECOMMENDATION

The Board believes that the Proposals are in the best interests of the Company and its Shareholders as a whole. The Board therefore unanimously recommends that Shareholders vote in favour of the Resolutions as they intend to do or procure to be done in respect of their own beneficial holdings of Existing Ordinary Shares, representing approximately 30.6 per cent. of the Existing Ordinary Shares.

The Board would also like to make Shareholders aware that, should the Issue not proceed, the Company may not be able to execute its strategy effectively and may need to raise capital by other means.

Yours faithfully

Matt Cooper
Non-Executive Chairman
Imaginatik Plc

PART II

DETAILS OF THE OPEN OFFER

1 INTRODUCTION

The Open Offer has been structured so as to allow Qualifying Shareholders to subscribe for Offer Shares at the Offer Price *pro rata* to their holdings of Existing Ordinary Shares. To the extent that Offer Shares are not subscribed by existing Shareholders, Open Offer entitlements will lapse.

2 OPEN OFFER

The Company hereby invites Qualifying Shareholders to apply, on and subject to the terms and conditions set out herein and in the Application Form, and subject to the Articles of Association of the Company, for Offer Shares at the Offer Price, free from all expenses, payable in full on application. The mid-market price for an Existing Ordinary Share, as derived from the AIM Appendix to the Daily Official List of the London Stock Exchange for 8 June 2017 (being the last practicable date before the announcement of the Proposals) was 2.125 pence. Subject to fulfilment of the conditions set out below and in the Application Form, Qualifying Shareholders are being given the opportunity to subscribe for Offer Shares at the Offer Price payable in full on application and free of all expenses, *pro rata* to their existing shareholdings, on the basis of:

1 Offer Share for every 6 Existing Ordinary Shares

held at the Record Date and so on in proportion for any greater number of Existing Ordinary Shares then held.

Entitlements of Qualifying Shareholders will be rounded down to the nearest whole number of Offer Shares. Qualifying Shareholders may apply for less than their full Open Offer Entitlement if they wish to do so, but may not apply for more than their full Open Offer Entitlement. Fractional entitlements which would have otherwise arisen will not be issued. Any monies paid in excess of the amount due in respect of an application (providing the excess amount exceeds £3.00) will be returned to the applicant (at the applicant's risk and without interest) within 14 days by way of cheque. The procedure for application in relation to the Open Offer is described in paragraph 3 below.

Holdings of Existing Ordinary Shares in certificated and uncertificated form will be treated as separate holdings for the purposes of calculating Open Offer Entitlements, as will holdings under different designations and different accounts.

The Accepted Offer Shares will, when issued and fully paid, rank *pari passu* in all respects with and will carry the same voting and dividend rights as, the Existing Ordinary Shares. The Open Offer is conditional, *inter alia*, on the Placing Agreement becoming or being declared unconditional in all respects and not being terminated before Offer Admission. It is expected that the Placing Admission will become effective and that dealings will commence on 28 June 2017 and the Offer Admission will become effective and that dealings will commence on 4 July 2017. One of the conditions to the Placing Agreement is the Placing Admission occurring no later than 8.00 a.m. on 28 June 2017 or such later time and/or date as the Company and finnCap may agree, being not later than 8.00 a.m. on 18 July 2017. If such conditions are not fulfilled, application monies are expected to be returned without interest by crossed cheque in favour of the applicant(s) (at the applicant's risk) by post as soon as practicable after that date. Any interest earned on the application monies will be retained for the benefit of the Company.

The Open Offer is not a rights issue. Qualifying Shareholders should note that the Application Form is **not** a negotiable document and cannot be traded. Qualifying Shareholders should also be aware that in the Open Offer, unlike in a rights issue, any Offer Shares not applied for will not be sold in the market or placed for the benefit of Qualifying Shareholders who do not apply under the Open Offer.

Completed Application Forms, accompanied by full payment, should be returned by post or by hand (during normal business hours only) to Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA so as to arrive as soon as possible and in any event so as to be received **no later than 11.00 a.m. on 30 June 2017.**

Cheques should be made payable to "Neville Registrars Limited re Clients Account" and crossed "A/C Payee Only". Third party cheques will not be accepted with the exception of building society cheques or bankers' drafts where the building society or bank has endorsed the back of the draft by adding the Shareholder's details and the branch stamp.

The Offer Shares will represent 10.3 per cent. of the Enlarged Issued Share Capital, assuming full subscription under the Open Offer and the Placing. **The Placing and the Offer are not inter-conditional.**

Further terms of the Open Offer are set out in this Part II and, where relevant, in the Application Form.

3 PROCEDURE FOR APPLICATION

Certificated Shareholders

(a) General

Subject to the provisions set out in this Part II in relation to the Overseas Shareholders, Qualifying Certificated Shareholders will have received an Application Form enclosed with this document. The Application Form shows the number of Existing Ordinary Shares registered in your name on the Record Date. It also shows your Open Offer Entitlement (i.e. the number of Offer Shares allocated to you on a *pro rata* basis). You are entitled to apply for all or part of your Open Offer Entitlement under the Open Offer. The instructions and other terms set out in the Application Form constitute part of the terms of the Open Offer.

(b) Market Claims

Applications may only be made on the Application Form which is personal to the Qualifying Shareholders(s) named thereon and may not be assigned, transferred or split except in the circumstances described below. **The Application Form represents the right to apply for Offer Shares and is not a document of title and cannot be separately traded.** It is transferable only to satisfy legitimate market claims in relation to market purchases pursuant to the rules of the London Stock Exchange prior to the Existing Ordinary Shares being marked "ex" the entitlement to the Open Offer. Applications may be split or consolidated only to satisfy legitimate market claims up to 3.00 p.m. on 28 June 2017. Any Qualifying Shareholder who has sold or transferred all or part of his holding of Existing Ordinary Shares prior to the date upon which the Existing Ordinary Shares were marked "ex" the entitlement to the Open Offer, should consult his stockbroker or other professional adviser as soon as possible since the invitation to acquire Offer Shares under the Open Offer may represent a benefit which can be claimed from him by the purchaser or transferee under the rules of the London

Stock Exchange. Qualifying Shareholders who have sold all of their registered holdings should complete Box 8 on the Application Form and immediately send it to the purchaser or transferee or the bank, stockbroker or other agent through whom or by whom the sale or transfer was effected for transmission to the purchaser or transferee.

The Application Form should not, however, be forwarded to or transmitted in or into any of the Excluded Jurisdictions.

(c) Application Procedures

Qualifying Shareholders wishing to apply for Offer Shares should complete the Application Form in accordance with the instructions printed thereon and post it in the accompanying reply paid envelope and return it, together with payment in full for the number of Offer Shares applied for, to Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands, B63 3DA 0121 585 1131 so as to arrive not later than 11.00 a.m. on 30 June 2017. After this time, applications will not be accepted. Calls to the Neville Registrars Limited 0121 585 1131 number are charged at your service provider's network standard rate. Calls to the Neville Registrars Limited 0121 585 1131 number from outside the UK are charged at applicable international rates. Different charges may apply to calls made from mobile telephones. Neville Registrars cannot provide advice on the merits of the Proposals nor give any financial, legal or tax advice).

If any Application Form is sent by first class post within the United Kingdom, Qualifying Shareholders are recommended to allow at least four business days for delivery. The Company may elect in its absolute discretion to accept Application Forms and remittances received after 11.00 a.m. on 30 June 2017. The Company may also in its sole discretion elect to treat an Application Form as valid and binding on the person(s) by whom or on whose behalf it is lodged, even if it is not completed in accordance with the relevant instructions, or if it does not strictly comply with the terms and conditions of application. Applications will not be acknowledged.

The Company also reserves the right (but shall not be obliged) to accept applications in respect of which remittances are received prior to 11.00 a.m. on 30 June 2017 from an authorised person (as defined in FSMA) specifying the number of Offer Shares concerned and undertaking to lodge the relevant Application Form in due course.

(d) Payments

In order to comply with the Money Laundering Regulations, Neville Registrars may verify the details against the applicant's identity, but also may request further proof of identity. Neville Registrars reserves the right to withhold any entitlement (including any refund cheque) until such verification of identity is completed to its satisfaction.

Payments must be made by cheque in pounds sterling drawn on a branch in the United Kingdom of a bank or building society and must bear the appropriate sort code in the top right hand corner. Cheques, which must be drawn on the personal account of the individual investor where they have sole or joint title to the funds, should be made payable to "Neville Registrars Limited re Clients Account" and crossed "A/C Payee Only". Third party cheques will not be accepted with the exception of building society cheques or bankers' drafts where the building society or bank has endorsed the back of the draft by adding the Shareholder's details and the branch stamp. The account name should be the same as that shown on the Application Form. Cheques or bankers' drafts will be presented for payment upon receipt. The Company reserves the right to instruct Neville Registrars to seek special clearance of cheques and bankers' drafts to allow the

Company to obtain value for remittances at the earliest opportunity. No interest will be allowed on payments made before they are due and any interest earned on such payments will accrue for the benefit of the Company. It is a term of the Open Offer that cheques will be honoured on first presentation, and the Company may elect in its absolute discretion to treat as invalid, acceptances in respect of which cheques are not so honoured. If cheques or bankers' drafts are presented for payment before the conditions of the Open Offer are fulfilled, the application monies will be kept in a separate bank account pending fulfilment of such conditions.

If all the conditions of the Open Offer have not been fulfilled or (where appropriate) waived by 8.00 a.m. on 3 July 2017 (or such later date as the Company may, in its absolute discretion, elect, but in any event not later than 8.00 a.m. on 4 July 2017), the Open Offer will lapse and application monies will be returned to applicants (at the applicants' risk), without interest, by crossed cheque in favour of the applicant(s) within 14 days after that date.

(e) Incorrect sums

If an Application Form encloses a payment for an incorrect sum, the Company, through Neville Registrars, reserves the right:

- (i) to reject the application in full and return the cheque or banker's draft or refund the payment to the Qualifying Shareholder in question; or
- (ii) in the case that an insufficient sum is paid, to treat the application as a valid application for such lesser whole number of Offer Shares as would be able to be applied for with that payment at the Offer Price, refunding any unutilised sum to the Qualifying Shareholder in question, save that any sums of less than £3 will be retained for the benefit of the Company; or

in the case that an excess sum is paid, to treat the application as a valid application for all of the Offer Shares referred to in the Application Form, refunding any unutilised sums to the Qualifying Shareholder in question, save that any sums of less than £3 will be retained for the benefit of the Company.

(f) Effect of Application

All documents and remittances sent by post by or to an applicant (or as the applicant may direct) will be sent at the applicant's own risk. By completing and delivering an Application Form, applicant(s):

- (i) request that the Offer Shares to which they will become entitled be issued to them on the terms in this document, subject to the Articles of Association of the Company;
- (ii) represent and warrant that they are not applying with a view to reoffering, reselling, transferring or delivering any of the Offer Shares which are the subject of their application to, or for the benefit of, a Shareholder who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of any of the Excluded Jurisdictions except where proof satisfactory to the Company has been provided to the Company and that they are able to accept the invitation by the Company of any requirement which it (in its absolute discretion) regards as unduly burdensome, nor acting on behalf of any such person on a non-discretionary basis nor

- (a) person(s) otherwise prevented by legal or regulatory restrictions from applying for Offer Shares under the Open Offer;
- (iii) represent and warrant that they are not and nor are they applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in section 93 (depository receipts) or section 96 (clearance services) of the Finance Act 1986;
- (iv) agree that all applications, and contracts resulting therefrom, under the Open Offer shall be governed by, and construed in accordance with, the laws of England;
- (v) confirm that in making the application they are not relying on any information or representation other, save in respect of information lawfully publicly available in respect of the Company, than that contained in or referred to in this document, and they accordingly agree that no person responsible solely or jointly for this document or any part thereof shall have any liability for any such information or representation not so contained and further agrees that having had the opportunity to read this document, they will be deemed to have had notice of all information contained or referred to in this document;
- (vi) acknowledge that finnCap is acting exclusively for the Company and no one else in connection with the Open Offer and the other matters referred to in this document and will not be responsible to anyone other than the Company for providing the protections afforded to the clients of finnCap or providing services in connection with the Open Offer and the other matters referred to in this document; and
- (vii) represent and warrant that they are the Qualifying Shareholder originally entitled to the entitlement under the Open Offer or they have received such entitlement by virtue of a bona fide market claim.

The instructions, notes and other terms set out in the Application Form, form part of the terms of the Open Offer.

Procedure for CREST Applications

Subject as provided in paragraph 6 of this Part II in relation to certain Overseas Shareholders, each Qualifying CREST Shareholder will receive a credit to his stock account in CREST of his Open Offer Entitlements equal to the number of Open Offer Shares for which he is entitled to apply under the Open Offer. A Qualifying CREST Shareholder may apply for less Open Offer Shares than he is entitled to should he wish to do so.

The CREST stock account to be credited will be an account under the participant ID and member account ID that apply to the Existing Ordinary Shares held on the Record Date by the Qualifying CREST Shareholder in respect of which the Open Offer Entitlements have been allocated.

If for any reason the Open Offer Entitlements cannot be admitted to CREST by, or the stock accounts of Qualifying CREST Shareholders cannot be credited by 3:00 p.m. or such later time as the Company may decide on 27 June 2017, an Application Form will be sent out to each Qualifying CREST Shareholder in substitution for the Open Offer Entitlements credited to his stock account in CREST. In these circumstances the expected timetable as set out in this document will be adjusted as appropriate and the provisions of this document applicable to Qualifying Ordinary Shareholders with

Application Forms will apply to Qualifying CREST Shareholders who receive Application Forms.

CREST members who wish to apply for some or all of their entitlements to Open Offer Shares should refer to the CREST Manual for further information on the CREST procedures referred to below. Should you need advice with regard to these procedures, please contact Neville Registrars Limited using the contact details set out in paragraph 3(c) of this Part II. If you are a CREST sponsored member you should consult your CREST sponsor if you wish to apply for Open Offer Shares as only your CREST sponsor will be able to take the necessary action to make this application in CREST.

USE Instructions

CREST members who wish to apply for Open Offer Shares in respect of some or all of their Open Offer Entitlements in CREST must send (or, if they are CREST sponsored members, procure that their CREST sponsor sends) an Unmatched Stock Event ("USE") instruction to Euroclear which, on its settlement, will have the following effect:

- (1) the crediting of a stock account of the Registrar under the participant ID and member account ID specified below, with a number of Open Offer Entitlements corresponding to the number of Open Offer Shares applied for; and
- (2) the creation of a CREST payment, in accordance with the CREST payment arrangements, in favour of the payment bank of the Registrar in respect of the amount specified in the USE instruction which must be the full amount payable on application for the number of Open Offer Shares referred to in (1) above.

Content of USE Instructions

(A) The USE instruction must be properly authenticated in accordance with Euroclear's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

- (1) the number of Open Offer Shares for which application is being made (and hence the number of the Open Offer Entitlement(s) being delivered to the Registrar);
- (2) the ISIN of the Open Offer Entitlement. This is GB00BDFZNM34;
- (3) the CREST participant ID of the accepting CREST member;
- (4) the CREST member account ID of the accepting CREST member from which the Open Offer Entitlements are to be debited;
- (5) the participant ID of the Registrar, in its capacity as a CREST receiving agent. This is **7RA11**;
- (6) the member account ID of the Registrar, in its capacity as a CREST receiving agent. This is **IMAGINAT**;
- (7) the amount payable by means of a CREST payment on settlement of the USE instruction. This must be the full amount payable on application for the number of Open Offer Shares referred to in (1) above;
- (8) the intended settlement date. This must be on or before 11:00 a.m. on 30 June 2017; and

(9) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for an application under the Open Offer to be valid, the USE instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11:00 a.m. on 30 June 2017.

In order to assist prompt settlement of the USE instruction, CREST members (or their sponsors, where applicable) may consider adding the following non-mandatory fields to the USE instruction:

- (1) a contact name and telephone number (in the free format shared note field); and
- (2) a priority of at least 80.

In the event that the Open Offer does not become unconditional by 8:00 a.m. on 4 July 2017 or such later time and date as the Company may determine (being no later than 8:00 a.m. on 18 July 2017), the Open Offer will lapse, the Open Offer Entitlements admitted to CREST will be disabled and the Registrar will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, within 14 days thereafter. The interest earned on such monies will be retained for the benefit of the Company.

Deposit of Open Offer Entitlements into, and withdrawal from, CREST

A Qualifying Ordinary Shareholder's entitlement under the Open Offer as shown by the number of Open Offer Entitlements set out in his Application Form may be deposited into CREST (either into the account of the Qualifying Shareholder named in the Application Form or into the name of a person entitled by virtue of a bona fide market claim). Similarly, Open Offer Entitlements held in CREST may be withdrawn from CREST so that the entitlement under the Open Offer is reflected in an Application Form. Normal CREST procedures (including timings) apply in relation to any such deposit or withdrawal, subject (in the case of a deposit into CREST) as set out in the Application Form.

A holder of an Application Form who is proposing so to deposit the entitlement set out in such form is recommended to ensure that the deposit procedures are implemented in sufficient time to enable the person holding or acquiring the Open Offer Entitlements following their deposit into CREST to take all necessary steps in connection with taking up the entitlement prior to 11:00 a.m. on 30 June 2017.

In particular, having regard to normal processing times in CREST and on the part of the Registrar, the recommended latest time for depositing an Application Form with the CREST Courier and Sorting Service, where the person entitled wishes to hold the entitlement under the Open Offer set out in such Application Form as Open Offer Entitlements in CREST, is 3:00 p.m. on 27 June 2017, and the recommended latest time for receipt by Euroclear of a dematerialised instruction requesting withdrawal of Open Offer Entitlements from CREST is 4:30 p.m. on 23 June 2017, in either case so as to enable the person acquiring or (as appropriate) holding the Open Offer Entitlements following the deposit or withdrawal (whether as shown in an Application Form or held in CREST) to take all necessary steps in connection with applying in respect of the Open Offer Entitlements prior to 11:00 a.m. on 30 June 2017.

Delivery of an Application Form with the CREST Deposit Form duly completed whether in respect of a deposit into the account of the Qualifying Shareholder named in the Application Form or into the name of another person, shall constitute a representation, warranty, covenant, agreement and acknowledgement to the Company and the Registrar by the relevant CREST member(s) that it/they is/are not in breach of the provisions of

the notes as set out in the CREST deposit form which forms part of the Application Form, and a declaration to the Company and the Registrar from the relevant CREST member(s) that it/they is/are not citizen(s) or resident(s) of any Restricted Jurisdiction and, where such deposit is made by a beneficiary of a market claim, a representation and warranty that the relevant CREST member(s) is/are entitled to apply under the Open Offer by virtue of a bona fide market claim.

Validity of Application

A USE instruction complying with the requirements as to authentication and contents set out above which settles by no later than 11:00 a.m. on 30 June 2017 will constitute a valid application under the Open Offer.

CREST Procedures and Timings

CREST members and (where applicable) their CREST sponsors should note that Euroclear does not make available special procedures, in CREST, for any particular corporate action. Normal system timings and limitations will therefore apply in relation to the input of a USE instruction and its settlement in connection with the Open Offer. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST sponsored member, to procure that his CREST sponsor takes) such action as shall be necessary to ensure that a valid application is made as stated above by 11:00 a.m. on 30 June 2017. In this connection CREST members and (where applicable) their CREST sponsors are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

Open Offer Entitlements in CREST

(a) If you hold your Open Offer Entitlements in CREST and apply for Open Offer Shares in respect of all or some of your Open Offer Entitlements as agent for one or more persons and you are not a UK or EU regulated person or institution (e.g. a UK financial institution), then, irrespective of the value of the application, the Registrar is obliged to take reasonable measures to establish the identity of the person or persons on whose behalf you are making the application. You must therefore contact the Registrar before sending any USE or other instruction so that appropriate measures may be taken.

(b) Submission of a USE instruction which on its settlement constitutes a valid application as described above constitutes a representation, warranty, covenant, agreement, acknowledgement and undertaking by the applicant to provide promptly to the Registrar such information as may be specified by the Registrar as being required for the purposes of the Money Laundering Regulations. Pending the provision of evidence satisfactory to the Receiving Agent as to identity, the Receiving Agent may in its absolute discretion take, or omit to take, such action as it may determine to prevent or delay issue of the Open Offer Shares concerned. If satisfactory evidence of identity has not been provided within a reasonable time, then the application for the Open Offer Shares represented by the USE instruction will not be valid. This is without prejudice to the right of the Company to take proceedings to recover any loss suffered by it as a result of failure to provide satisfactory evidence. **If you do not wish to apply for any of the Offer Shares to which you are entitled under the Open Offer, you should not complete and return the Application Form.**

If you are in any doubt whether or not you should apply for any of the Offer Shares under the Open Offer, and/or the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under FSMA who specialises in advising on the acquisition of shares and other securities if you are in the United Kingdom or, if not, another appropriately authorised independent financial adviser. All enquiries in relation

to the procedure for application for Qualifying Shareholders under the Open Offer should be addressed to Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands, B63 3DA, telephone 0121 585 1131. Calls to the Neville Registrars Limited 0121 585 1131 number are charged at your service provider's network standard rate. Calls to the Neville Registrars Limited 0121 585 1131 number from outside the UK are charged at applicable international rates. Different charges may apply to calls made from mobile telephones. Neville Registrars cannot provide advice on the merits of the Proposals nor give any financial, legal or tax advice.

4 MONEY LAUNDERING REGULATIONS

It is a term of the Open Offer that, to ensure compliance with the Money Laundering Regulations, the money laundering provisions of the Criminal Justice Act 1993, Part VIII of the Financial Services and Markets Act 2000 and the Proceeds of Crime Act 2002 (together with the provisions of the Money Laundering Sourcebook of the FCA and the manual of guidance produced by the Joint Money Laundering Steering Group in relation to financial sector firms) (together, the "**Regulations**"), that Neville Registrars may, in its absolute discretion, require verification of your identity to the extent that you have not already provided the same. Pending the provision to Neville Registrars of evidence of your identity, definitive certificates in respect of Offer Shares may be retained at its absolute discretion. If within a reasonable time after a request for verification of identity, Neville Registrars has not received evidence satisfactory to it, the Company may, in its absolute discretion, terminate your Open Offer participation in which event the monies payable on acceptance of the Open Offer participation will, if paid, be returned without interest by cheque to the applicant(s). To comply with the money laundering requirements, payment in respect of your Open Offer participation should be drawn from an account in your own name on a branch of a building society or bank in the United Kingdom and must bear the appropriate sort code in the top right hand corner. If this is not practicable and you must use a cheque or bankers' draft drawn on a building society or bank then you should request the building society or bank to print or write on the back of the cheque the full name and account number of the person whose building society or bank account is being debited and add their branch stamp.

5 TAXATION AND STAMP DUTY

If you are in any doubt as to your tax position, or if you are subject to tax in a jurisdiction other than the United Kingdom, you should consult your professional adviser without delay.

6 OVERSEAS SHAREHOLDERS

In respect of persons not resident in the United Kingdom, or who are citizens of countries other than the United Kingdom, the Open Offer may be affected by the laws or regulatory requirements of jurisdictions outside the United Kingdom. It is the responsibility of each overseas shareholder to satisfy himself as to the full observance of the laws of any relevant jurisdiction in connection with the Open Offer. No person receiving a copy of this document and/or an Application Form in any territory other than the United Kingdom may treat the same as constituting an invitation or offer to him/her nor should he/she in any event use such Application Form unless in the relevant territory such an invitation could lawfully be made to him/her or such Application Form could be lawfully be used without compliance with any registration or other legal or regulatory requirements other than any which may have been fulfilled.

In particular, the Offer Shares have not been registered under the United States Securities Act of 1933 (as amended) or the relevant Canadian or Australian securities

legislation and therefore the Offer Shares may not be offered, sold, transferred or delivered directly or indirectly in the United States of America, Canada, Australia or their respective territories and possessions. No application form will be accepted from, any Shareholder who is unable to give the warranty set out in the Application Form or who the Company or its agent has reason to believe is ineligible to apply.

It is the responsibility of any person receiving a copy of this document or an Application Form and wishing to make an application to subscribe for Offer Shares to satisfy himself/herself as to the full observance of the laws and regulatory requirements of any relevant territory, including the obtaining of all necessary governmental or other consents which may be required or observing any other formalities needing to be observed in such territory and the payment of any taxes due in such jurisdiction.

The Company reserves the right to treat as invalid any application, or purported application, to subscribe for Offer Shares pursuant to the Open Offer which appears to the Company or its agent to have been executed, effected or despatched in a manner which may involve a breach of the securities legislation of any jurisdiction or which does not include the warranties set out in the Application Form. Completion of an Application Form shall constitute a warranty that the Shareholder is eligible to apply. The Open Offer will be extended to any Qualifying Shareholders to whom this document and the Application Form may not be sent by means of an advertisement in the London Gazette.

7 SETTLEMENT AND DEALINGS

Application will be made to the London Stock Exchange for the Offer Shares to be admitted to trading on AIM. It is expected that the Offer Shares will be admitted to trading on AIM and that dealings will commence on 4 July 2017. For Qualifying Shareholders, if you hold your Existing Ordinary Shares in certificated form, definitive share certificates for the Offer Shares are expected to be dispatched by first class post by 13 July 2017. For Qualifying Shareholders who hold their Existing Ordinary Shares in uncertificated form, it is expected that the relevant CREST account will be credited on the day of either Placing Admission in respect of the Placing Shares or on the day of Offer Admission in respect of the Accepted Offer Shares. Notwithstanding any other provision of this document, the Company reserves the right to issue any Offer Shares in certificated form. This right is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or any part of CREST) or on the part of the facilities and/or systems operated by the Company's registrars in connection with CREST. No temporary documents of title will be issued and pending despatch of the definitive share certificates, transfers of the Offer Shares will be certified against the register. All documents and remittances sent by or to an applicant (or his/her agent, as appropriate) will be sent through the post at the risk of the person entitled thereto.

PART III RISK FACTORS

An investment in the Offer Shares involves a high degree of risk. Accordingly, prospective investors should carefully consider the specific risk factors set out below in addition to the other information contained in this document before investing in the Offer Shares. The Directors consider the following risks and other factors to be the most significant for potential investors in the Company, but the risks listed do not purport to comprise all those risks associated with an investment in the Company and are not set out in any particular order of priority. Additional risks and uncertainties not currently known to the Directors may also have an adverse effect on the Company's business.

If any of the following risks actually occur, the Company's business, financial condition, capital resources, results or future business could be materially adversely affected. In this event, the price of the Ordinary Shares could decline and investors may lose all or part of their investment.

The investment offered in this document may not be suitable for all of its recipients. Before making an investment decision, prospective investors should consult a person authorised under FSMA who specialises in advising on the acquisition of shares and other securities. A prospective investor should consider carefully whether an investment in the Company is suitable for him/her in the light of his/her personal circumstances and the financial resources available to him/her.

There are various risk and other factors associated with an investment of the type described in this document. In particular:

The Company's objectives may not be fulfilled

The value of an investment in the Company is dependent upon the Company achieving the aims set out in this document. There can be no guarantee that the Company will achieve the level of success that the Board expects.

Competition risks

There is a risk that larger, more highly capitalised competitors may pose a threat to the Company's ability to win new business or to maintain its current client base. Competitors with greater resources, financial and/or technological may win business which the Company might expect to retain or receive.

Further funding

There is a risk that future rounds of funding may fail to attract sufficient interest to raise the funds required at that time. This may pose a threat to the Company's ability to compete effectively with its competitors.

Currency risk

The Group reports its financial results in pounds sterling, while a significant amount of its revenues are booked in United States dollars. Fluctuations in exchange rates between currencies in which the Group operates may cause fluctuations in its financial results and may have an adverse effect on income and costs figures. If, for example, the United States dollar were to strengthen against sterling, this could have an adverse effect on the Company's results.

Economic, political, judicial, administrative, taxation or other regulatory factors

The Group may be adversely affected by changes in economic, political, judicial, administrative, taxation or other regulatory factors, in the areas in which the Group operates and conducts its principal activities, which are currently in the United States and the United Kingdom.

Profits

To date, the Company has not made a profit. Although the Directors are confident about the prospects of the Company, there can be no absolute certainty that the Company will become profitable in the short or medium term or at all. Any such profits are likely to be retained and used towards the development of the Group's activities and business for the foreseeable future. Investors' attention is also drawn to the risk factor immediately below regarding the Company's dividend position.

Dividends

The declaration, payment and amount of any future dividends of the Company are subject to the discretion of the Shareholders or, in the case of interim dividends, to the discretion of the Directors, and will depend upon, amongst other things, the Company's earnings, financial position, cash requirements and availability of profits as well as provisions of relevant laws and generally accepted accounting principles from time to time.

EIS and VCT status

The Company has obtained advance assurance from HM Revenue & Customs that the Company qualifies as a qualifying company for the purposes of EIS and VCT provisions. Neither the Company nor any of the Company's advisers give any warranties or undertakings that EIS relief or VCT qualifying status will not be withdrawn. Should the law regarding EIS or VCT change then any reliefs or qualifying status previously obtained may be lost. If the Group ceases to carry on its business as currently conducted or acquires or commences a business which is not insubstantial to the Group's activities and which is a non-qualifying trade for EIS and VCT relief during the three year period from the last allotment of Ordinary Shares, this could prejudice the qualifying status of the Company (as referred to above) under the EIS and VCT scheme.

The above situation will be closely monitored with a view to preserving the Company's qualifying status but this cannot be and is not assured. Circumstances may arise where the Directors believe that the interests of the Company are not best served by acting in a way that preserves the EIS relief or VCT qualifying status. In such circumstances, the Company cannot undertake to conduct its activities in a way designed to secure or preserve any such relief or status claimed by any shareholder.

The information in this document is based upon current tax law and practice and other legislation and any changes in the legislation or in the levels and bases of, and reliefs from, taxation may affect the value of an investment in the Company.

Attraction and retention of key employees

The Company's success will depend on its current and future executive management and sales teams. The loss of the services of certain employees could have a materially adverse effect upon the Group's business and future. The ability to attract and/or to retain new employees with the appropriate abilities, expertise and skills cannot be assumed. The Group may experience difficulties in engaging appropriate employees and the failure to do so may have a detrimental effect on the Company.

Suitability of Ordinary Shares as an investment

The Ordinary Shares may not be a suitable investment for all recipients of this document. Before making a decision, investors are advised to consult an appropriate independent investment adviser authorised under FSMA who specialises in advising on the acquisition of shares and other securities. The value of Ordinary Shares can go down as well as up and investors may get back less than their original investment.

Dilution of ownership of Existing Ordinary Shares upon allotment of the Offer Shares

If Qualifying Shareholders do not apply for their full Open Offer Entitlements by 11.00 a.m. on 30 June 2017, the latest date for application and payment in full in respect of their entitlements, their proportionate ownership and voting interest in the Ordinary Shares will be reduced and the percentage that their Existing Ordinary Shares represents of the Enlarged Issued Share Capital will be reduced accordingly.

Market information and nature of Ordinary Shares

Potential investors should be aware that the value of shares can rise or fall and that there may not be proper information available for determining the market value of an investment in the Company at all times. An investment in a share which is traded on AIM, such as the Ordinary Shares, may be difficult to realise and carries a high degree of risk. The ability of an investor to sell Ordinary Shares will depend on there being a willing buyer for them at an acceptable price. Consequently, it might be difficult for an investor to realise his investment in the Company and he may lose all of his investment.

General

Whilst the Company is applying for Admission of the New Ordinary Shares to trading on AIM, there can be no assurance that an active trading market for the Ordinary Shares will ensue, or that it will be maintained. AIM is a market for emerging or smaller growing companies and may not provide the liquidity normally associated with the Official List or other exchanges. The future success of AIM and liquidity in the market for the Ordinary Shares cannot be guaranteed. In particular, the market for the Ordinary Shares may be, or may become, relatively illiquid and therefore the Ordinary Shares may be or may become difficult to sell.

Share price volatility and liquidity

The market price of the Ordinary Shares could be subject to significant fluctuations due to a change in investor sentiment regarding the Company or the innovation marketplace in which the Company operates or in response to specific facts and events, including positive or negative variations in the Group's interim or full year operating results and business developments of the Group and/or competitors. The market price of the Ordinary Shares may not reflect the underlying value of the Group. Potential investors should be aware that the value of shares and the income from them can go down as well as up and that investment in a share which is traded on AIM might be less realisable and might carry a higher risk than a share quoted on the Official List.

PART IV

ADDITIONAL INFORMATION

1 SHARE CAPITAL

The authorised and issued share capital of the Company (i) as at the date of this document and (ii) as it is expected to be at Offer Admission (assuming maximum take up under the Issue and disregarding any lost fractional entitlements) is set out below:

	£	Number of Ordinary Shares
Issued Share Capital at the date of this document	1,518,286	151,828,597
Issued Share Capital at Offer Admission*	2,458,648	245,864,808

* Following completion of and assuming maximum subscription under the Open Offer

2 DIRECTORS' INTERESTS

2.1 The interests (all of which are beneficial unless stated otherwise) of the Directors and their immediate families and of persons connected with them (within the meaning of Section 252 of the 2006 Act) in the issued share capital of the Company and the existence of which is known to, or could with reasonable due diligence be ascertained by, any Director as at the date of this document and as they are expected to be upon completion of the Proposals, assuming (where applicable) that they subscribe for the maximum number of New Ordinary Shares they have agreed to take, as stated below (but excluding the interests in options over Ordinary Shares set out in paragraph 2.2 below), are as follows:

Name of Director	As at the date of this document		Immediately following Placing Admission	
	Number of Ordinary Shares	Percentage of Existing Issued Share Capital	Number of Ordinary Shares	Percentage of Share Capital Following Placing Admission
Matthew Cooper	42,929,475	28.27%	52,929,476	24.00%
Shawn Taylor	551,852	0.36%	851,852	0.39%
Ralph Welborn	340,000	0.22%	922,163	0.42%
Simon Charles	2,703,182	1.78%	2,703,182	1.23%

- 2.2 The above interests exclude the interests of the Directors in options to subscribe for new Ordinary Shares, which are as follows:

Name of Director	Number of Ordinary Shares under option	Percentage of Existing Issued Share Capital	Percentage of Enlarged Share Capital*
Matthew Cooper	2,906,531	1.91%	1.18%
Shawn Taylor	2,252,212	1.48%	0.92%
Ralph Welborn	3,067,000	2.02%	1.25%
Simon Charles	278,750	0.18%	0.11%

**Assuming Open Offer is subscribed in full*

3 MATERIAL CONTRACTS

The following contracts, not being contracts entered into in the ordinary course of business, have been entered into by the Company and/or its subsidiaries during the two years preceding the date of this document and are or may be material:

- 3.1 the Placing Agreement dated 24 May 2016 made between the Company (1) and finnCap (2) pursuant to which and conditional upon, *inter alia*, Placing Admission taking place on or before 8.00 a.m. on 14 June 2016, or such later date (being not later than 30 June 2016) as the Company and finnCap may agree. Under the terms of the Placing Agreement the Company has agreed to pay finnCap a fee of £65,000.
- 3.2 the Placing Agreement dated 9 June 2017 made between the Company (1) and finnCap (2) pursuant to which and conditional upon, *inter alia*, Placing Admission taking place on or before 8.00 a.m. on 28 June 2017, or such later date (being not later than 18 July 2017) as the Company and finnCap may agree.

4 LITIGATION

The Group is not involved in any governmental, legal or arbitration proceedings which are having, may have or have had, in the previous 12 months, a significant effect on its financial position or profitability and, so far as the Directors are aware, there are no such proceedings pending or threatened against the Group.

5 GENERAL

- 5.1 The total cost and expenses payable by the Group in connection with the Issue (including professional fees, commissions, the cost of printing and the fees payable to the registrars) are estimated to amount to approximately £100,000 (excluding VAT).

- 5.2 Save in respect of the Issue as disclosed in this document and as announced by the Company via a regulatory information service, there has been no significant change in the financial or trading position of the Group since 31 March 2016, the date to which its most recent audited accounts have been drawn up.

6 AVAILABILITY OF DOCUMENTS

This document will be available for a period of 12 months from the date of this document on the Company's website (www.imaginatik.com) free of charge in accordance with the requirements of Rule 26 of the AIM Rules and will also be available from the Company's principal place of business in the United Kingdom, at Wessex Business Park, 6 Wessex Way, Colden Common, Winchester, SO21 1WP. A copy of the agreements summarised in paragraph 3 of this Part IV will be available for inspection at the Company's address as above from the date of this document and for a period of one month following the date of Admission.

DEFINITIONS

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

“Accepted Offer Shares”	the Offer Shares in respect of which valid applications are received;
“Act”	the Companies Act 2006, as amended;
“Admission”	Offer Admission and Placing Admission;
“AIM”	the market of that name operated by the London Stock Exchange;
“AIM Rules”	the AIM Rules for Companies published by the London Stock Exchange (as updated from time to time) governing the admission to and the operation of AIM;
“Application Form”	the application form to be used by Qualifying Shareholders in connection with the Open Offer;
“Australia”	the Commonwealth of Australia, its states, territories and Possessions;
“Broker Placing Shares”	the 50,450,325 New Ordinary Shares which are to be subscribed for under the Placing;
“Canada”	Canada, its provinces, territories and all areas subject to its jurisdiction and any political subdivision thereof;
“certificated form” “in certificated form”	an ordinary share recorded on a company’s share register as being held in certificated form (namely, not in CREST);
“Company” or “Imaginatik”	Imaginatik plc;
“Company Placing Shares”	the 18,281,120 New Ordinary Shares which are subscribed for by certain investors directly with the Company;
“CREST”	the relevant system (as defined in the Uncertificated Securities Regulations 2001) in respect of which Euroclear UK & Ireland Limited is the operator (as defined in those regulations);
“Directors” or “Board”	the directors of the Company or any duly authorised committee thereof;

“Enlarged Issued Share Capital”	the issued ordinary share capital of the Company immediately following Offer Admission;
“Excluded Jurisdiction”	the United States, Australia, Canada, Japan, the Republic of South Africa, New Zealand and any other jurisdiction where the extension or availability of the Open Offer would breach any applicable law;
“Existing Ordinary Shares”	the 151,828,597 Ordinary Shares in issue at the date of this document, all of which are admitted to trading on AIM;
“Euroclear”	Euroclear UK & Ireland Limited, the operator of CREST (formerly known as CRESTCo Limited);
“finnCap”	means finnCap Ltd, the Company’s nominated adviser and broker;
“FPO”	the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (S.I. 2005/1529);
“Form of Proxy”	the form of proxy accompanying this document for use at the General Meeting;
“FCA”	the Financial Conduct Authority of the UK in its capacity as the competent authority for the purposes of FSMA;
“FSMA”	the Financial Services and Markets Act 2000;
“General Meeting”	the general meeting of the Company to be held at the offices of the Company’s solicitors, Marriott Harrison LLP, at 11 Staple Inn, London WC1V 7QH on 26 June 2017 at 5.00 p.m. and notice of which is set out at the end of this document;
“Group”	the Company and its existing subsidiaries, Imaginatik Inc. and Imaginatik (Goswell) Limited;
“Issue”	the Placing and the Open Offer;
“Japan”	Japan, its cities and prefectures, territories and possessions;
“London Stock Exchange”	London Stock Exchange plc;
“Money Laundering Regulations”	the Money Laundering Regulations 1993, as amended, and the Money Laundering Regulations 2007;

“Neville Registrars”	the Company’s registrars, Neville Registrars Limited of Neville House, 18 Laurel Lane, Halesowen, West Midlands, B63 3DA;
“New Ordinary Shares”	the Placing Shares and the Accepted Offer Shares;
“Notice of General Meeting”	the notice of the General Meeting set out at the end of this document;
“Offer Admission”	admission of the Offer Shares to trading on AIM becoming effective in accordance with the AIM Rules;
“Offer Price”	2 pence per Offer Share;
“Offer Shares”	the 25,304,766 Ordinary Shares which are to be made available for subscription by Qualifying Shareholders under the Open Offer;
“Official List”	the Official List of the UKLA;
“Open Offer”	the conditional offer to Qualifying Shareholders to subscribe for the Offer Shares at the Offer Price, as described in this document;
“Open Offer Entitlements”	entitlements to subscribe for Offer Shares, allocated to a Qualifying Shareholder pursuant to the Open Offer;
“Options”	the options granted to Directors to subscribe for Ordinary Shares, details of which are set out in paragraph 2.3 of Part IV of this document;
“Ordinary Shares”	ordinary shares of 1 pence each in the capital of the Company;
“Overseas Shareholders”	Shareholders resident in, or citizens of, jurisdictions outside the United Kingdom;
“Placing”	the conditional placing by finnCap of the Broker Placing Shares with investors pursuant to the Placing Agreement and, where the content permits, the conditional placing by the Company or the Company Placing Shares which are being subscribed for by certain Directors and members of the management team;
“Placing Admission”	admission of the Placing Shares to trading on AIM becoming effective in accordance with the AIM Rules;

“Placing Agreement”	the agreement dated 9 June 2017 between the Company and finnCap, details of which are set out in paragraph 3.1 of Part IV of this document;
“Placing Price”	2 pence per Placing Share;
“Placing Shares”	the 68,731,445 Ordinary Shares being the aggregate of the Broker Placing Shares and the Company Placing Shares;
“Proposals”	the proposals set out in this document including the Placing and Open Offer;
“Prospectus Rules”	the Prospectus Rules made in accordance with EU Prospectus Directive 2003/71/EC in relation to offers of securities to the public and admission of securities to trading on a regulated market;
“Qualifying Shareholders”	holders of Existing Ordinary Shares at the Record Date;
“Qualifying Certificated Shareholders”	holders of Existing Ordinary Shares held in certificated form at the Record Date;
“Qualifying CREST Shareholders”	holders of Existing Ordinary Shares held in CREST at the Record Date;
“Record Date”	the record date for the Open Offer being 6.00 p.m. on 8 June 2017;
“Relevant Persons”	persons (i) who are investment professionals within Article 19(1) of the FPO; or (ii) who are persons falling within Article 49(1) of the FPO; or (iii) with whom it may otherwise be lawful for the Company to communicate in respect of the Placing and are persons who fall within section 86(7) of FSMA;
“Resolutions”	the resolutions set out in the Notice of General Meeting;
“Securities Act”	the United States Securities Act of 1933, as amended;
“Shareholders”	holders of Ordinary Shares;
“UKLA”	the United Kingdom Listing Authority, being the FCA acting in its capacity as the competent authority for the purposes of Part VI of FSMA;
“United Kingdom” or “UK”	the United Kingdom of Great Britain and Northern Ireland;

“United States” or “US”

the United States of America, each State thereof, its territories and possessions (including the District of Columbia) and all other areas subject to its jurisdiction; and

“uncertificated”

an ordinary share recorded on a company’s share register as being held in uncertificated form in CREST and title to which, by virtue of the Uncertificated Securities Regulations 2001, may be transferred by means of CREST.

NOTICE OF GENERAL MEETING

Imaginatik plc

("Imaginatik" or "the Company")

(Incorporated in England & Wales under the Companies Act 1985 with Registered No. 3936915)

NOTICE IS HEREBY GIVEN that a general meeting of the holders of Ordinary Shares in the Company will be held at the offices of the Company's solicitors, Marriott Harrison LLP, 11 Staple Inn, London WC1V 7QH on Friday 26 June 2017 at 5.00 p.m. to consider and, if thought fit, pass the resolutions below:

ORDINARY RESOLUTION

- 1 That, the Directors be generally and unconditionally authorised pursuant to and in accordance with section 551 of the Companies Act 2006 to exercise all the powers of the Company to allot shares or grant rights to subscribe for or to convert any security into shares up to a nominal amount of £1,000,000 pursuant to the Issue described in a circular to shareholders dated 9 June 2017 of which this notice forms part (the "**Circular**"), such authorities to apply in substitution for all previous authorities and to be limited to the allotment no later than 31 July 2017 of the New Ordinary Shares (as that expression is defined in the Circular attached to these resolutions).

SPECIAL RESOLUTION

- 2 That, subject to the passing of Resolution 1 and in accordance with section 570 of the Companies Act 2006, the Directors be generally empowered to allot equity securities (as defined in section 560 of the Companies Act 2006) pursuant to the authority conferred by Resolution 1, as if section 561(1) of the Companies Act 2006 did not apply to any such allotment.

For and on behalf of the Board

Shawn Taylor
Company Secretary

9 June 2017

Registered office:
Imaginatik PLC
27/28 Eastcastle Street
London
W1W 8DH

NOTES TO THE NOTICE OF GENERAL MEETING

Appointment of proxies

- 1 As a member of the Company, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the meeting and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
- 2 A proxy does not need to be a member of the Company but must attend the meeting to represent you. Details of how to appoint the Chairman of the meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
- 3 You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share.
- 4 If you do not give your proxy an indication of how to vote on any resolution, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.

Appointment of proxy using hard copy proxy form

- 5 The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote. To appoint a proxy using the proxy form, the form must be: completed and signed and sent or delivered to the Company's registrars, Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands, B63 3DA and received by Neville Registrars Limited no later than 5:00 p.m. on 22 June 2017. In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company

Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

Appointment of proxy by joint members

- 6 In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

Changing proxy instructions

- 7 To change your proxy instructions simply submit a new proxy appointment using the methods set out above.

Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Neville Registrars Limited on 0121 585 1131.

Termination of proxy appointments

- 8 In order to revoke a proxy instruction you will need to inform the Company using one of the following methods:

By sending a signed hard copy notice clearly stating that you revoke your proxy appointment to Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

Appointment of a proxy does not preclude you from attending the Meeting and voting in person.

Communication

- 9 Except as provided above, members who have general queries about the Meeting should contact Neville Registrars Limited on 0121 585 1131 (no other method of communication will be accepted).