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**FOR IMMEDIATE RELEASE**

**2 November 2021**

**ACCUSTEM SCIENCES LIMITED  
("UK Accustem")**

**Recommended Proposals to establish**

**ACCUSTEM SCIENCES INC.  
("US Accustem")**

as the holding company of UK Accustem and its subsidiaries (the "**Accustem Group**") by means of a Scheme of Arrangement under Part 26 of the Companies Act 2006

**1. INTRODUCTION**

The board of directors of UK Accustem (the "**Board**") is pleased to announce its intention to put in place a new parent company for the Accustem Group, being US Accustem, a Delaware-incorporated company. It is intended that shares of US Accustem will ultimately be listed directly on NASDAQ. It is intended that this new corporate structure will be implemented by means of a scheme of arrangement under Part 26 of the Companies Act 2006 (the "**Scheme**") involving a transfer of the entire issued share capital of UK Accustem to US Accustem.

A circular setting out the Scheme and notices of the Court Meeting and the Scheme General Meeting (as defined therein) (the "**Scheme Document**") will be posted to shareholders on today's date. A copy of the Scheme Document is available on UK Accustem's website at <https://www.accustem.com>.

**There are several ways to vote on the matters set out in the Scheme Document (all of which are explained in the Scheme Document) but we strongly recommend that shareholders use the online voting portal at [www.signalshares.com](http://www.signalshares.com).**

If the Scheme is approved and becomes effective, it will result in: (a) holders (the "**UK Accustem Shareholders**") of ordinary shares of 1 pence each in the share capital of UK Accustem ("**UK Accustem Shares**") holding common shares of par value \$0.001 each in the capital of US Accustem ("**US Accustem Shares**") and (b) UK Accustem becoming a wholly-owned subsidiary of US Accustem.

If the Scheme becomes effective, UK Accustem Shareholders on the business day immediately preceding the Scheme becoming effective (the "**Scheme Record Time**") will receive, in consideration for the transfer of their UK Accustem Shares to US Accustem, US Accustem Shares on the following basis, subject to fractional interests, if any:

**for every twenty UK Accustem Shares held one US Accustem Share**

UK Accustem Shares held in uncertificated form will be disabled in CREST on the date on which the Scheme becomes effective (the "**Scheme Effective Date**"). Unlike UK Accustem Shares, US Accustem Shares are not capable of being held, transferred or settled directly through the CREST settlement system. A UK Accustem Shareholder who holds UK

Accustem Shares in uncertificated form through CREST (directly or through a broker or other nominee with a CREST account) immediately prior to the Scheme Record Time will be issued US Accustem Shares in the manner set out in paragraph 10 of Part II of the Scheme Document.

Upon the Scheme being implemented, the existing UK Accustem Shares underlying each American depositary shares ("ADSs") representing two UK Accustem Shares each ("**UK Accustem ADSs**") will be transferred to US Accustem and the US Accustem Shares issued in consideration will be registered in the names of the registered holders of UK Accustem ADSs immediately prior to the Scheme Effective Date. If the Scheme becomes effective, persons registered as holding UK Accustem ADSs at the Scheme Effective Date will be entitled to receive **one US Accustem Share for every ten UK Accustem ADS held** immediately prior to the Scheme Effective Date. Further details of the settlement process for holders of UK Accustem ADSs are set out in paragraph 10 of Part II of the Scheme Document.

Fractional entitlements of US Accustem Shares shall not be issued and to the extent UK Accustem Shareholders are entitled to fractional US Accustem Shares, those fractional entitlements will be aggregated by US Accustem's transfer agent and sold as soon as practicable after the Scheme Effective Date at the then prevailing prices on the open market and the net proceeds of sale retained by US Accustem. UK Accustem Shareholders will not receive any compensation for fractional entitlements given that the value of a fractional entitlement will be substantially less than £1.00 and the costs of sending a cheque for the amount due will exceed the value of the entitlement by a significant margin.

Accordingly, whilst the effect of the Scheme will be to reduce the number of issued shares of US Accustem, UK Accustem Shareholders will still own the same proportion of US Accustem immediately after the Scheme becomes effective as they did of UK Accustem immediately before the Scheme became effective, subject to fractional interests, if any.

A number of differences exist between the UK Accustem Articles and the US Accustem By-laws. A summary of the principal differences between the rights of the UK Accustem Shareholders and US Accustem Shareholders is contained in **Error! Reference source not found.** of the Scheme Document.

This announcement explains the proposals and why the Board considers the Scheme to be on fair and reasonable terms and all of the proposal to be in the best interests of UK Accustem and its shareholders as a whole.

The Board is unanimously recommending that UK Accustem Shareholders vote in favour of the proposals as they intend to do in respect of their aggregate shareholdings in UK Accustem representing 38.13 per cent. of the total voting rights in UK Accustem as at the business date immediately preceding this announcement.

**A summary of the recommended action is set out on paragraph 7 of Part I of the Scheme Document and on the forms of proxy accompanying the Scheme Document.**

## 2. EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Event	Expected time/date
<b>Latest time for receipt by the Depositary of voting instructions from holders of UK Accustem ADSs for the Court Meeting <sup>1</sup></b>	8:00 a.m. on 12 November 2021

### Notes:

<sup>1</sup> Holders of UK Accustem ADSs will be contacted by the Depositary with guidelines on how to provide voting instructions to the Depositary with respect to the UK Accustem ADSs. In order to vote, holders of UK Accustem ADSs are required to follow the voting instructions and meet the deadlines provided by the Depositary.

<b>Latest time for receipt by the Depositary of voting instructions from holders of UK Accustem ADSs for the Scheme General Meeting</b>	8:00 a.m. on 12 November 2021
<b>Latest time for receipt by UK Accustem's Registrars of Blue Forms of Proxy from UK Accustem Shareholders for the Court Meeting <sup>2</sup></b>	11:00 a.m. on 16 November 2021
<b>Latest time for receipt by UK Accustem's Registrars of Yellow Forms of Proxy from UK Accustem Shareholders for the Scheme General Meeting <sup>3</sup></b>	11:15 a.m. on 16 November 2021
Voting Record Time for the Court Meeting and the Scheme General Meeting <sup>4</sup>	Close of business on 16 November 2021
ADS Voting Record Time	Close of business on 21 October 2021
<b>Court Meeting</b>	11:00 a.m. on 18 November 2021
<b>Scheme General Meeting <sup>5</sup></b>	11:15 a.m. on 18 November 2021
<b><i>The following dates are subject to change:</i></b>	
Last time for dealings in, for registration of transfers of, and D&I disablement in CREST of UK Accustem Shares	Close of business on 24 November 2021
Court Hearing to sanction the Scheme	25 November 2021
Scheme Record Time	Close of business on 26 November 2021
<b>Scheme Effective Date</b>	8:00 a.m. on 29 November 2021
CREST accounts of UK Accustem Shareholders credited with US Accustem Shares	30 November 2021
Despatch of share certificates of US Accustem Shares	within 14 days of the Scheme Effective Date
Longstop date	31 December 2021

*Unless otherwise stated, all references to times in this document are to London time. The times and dates given are based on the Directors' expectations and may be subject to change. These times and dates are indicative only and will depend, amongst other things, on the date on which the High Court sanctions the Scheme. In particular, certain Court dates are subject to confirmation by the High Court. If the scheduled date of the Court Hearing is changed, UK Accustem will give adequate notice of the change by issuing an announcement through an RIS. Any changes to other times or dates indicated above may, in UK Accustem's discretion, be notified in the same manner. All UK Accustem Shareholders have the right to attend the Court Hearing. In light of the ongoing COVID-19 pandemic, the Court Hearing is likely to be conducted via Microsoft Teams. If UK Accustem Shareholders are interested in attending the Court Hearing via Microsoft Teams, they are directed to the Business and Property Courts Rolls Building Cause List at [justice.gov.uk](https://www.justice.gov.uk) for details of how to do so. The time of the Court Hearing and information on how to attend will be updated on the Court's website after 4.30 p.m. on the Business Day before the Court Hearing.*

### 3. BACKGROUND TO AND REASONS FOR THE PROPOSALS

Following a review of the appropriate place(s) of listing and domicile for the parent company of the Accustem Group, the Board has concluded that the interests of its business and

<sup>2</sup> Blue Forms of Proxy for the Court Meeting not returned by this time may be emailed to [post-proxy-deadline-court-votes@linkgroup.co.uk](mailto:post-proxy-deadline-court-votes@linkgroup.co.uk) any time prior to the commencement of the Court Meeting. However, if possible, UK Accustem Shareholders are requested to lodge the Blue Forms of Proxy by 11.00 a.m. (London time) on 16 November 2021 in order for it to be valid.

<sup>3</sup> To be valid Yellow Forms of Proxy for the Scheme General Meeting must be lodged by 11:15 a.m. on 16 November 2021. Yellow Forms of Proxy cannot be accepted after this time.

<sup>4</sup> If either the Court Meeting or the Scheme General Meeting is adjourned, the voting record time for the adjourned meeting will be close of business on the date falling two days before the adjourned meeting.

<sup>5</sup> To commence at the time fixed or as soon thereafter as the Court Meeting concludes or is adjourned, whichever is the later.

shareholders are best served by aligning the place of the listing with the principal business activities of the Accustem Group, which are likely to be predominately based in the US. Therefore, the Board ultimately intends to establish a direct listing on the Nasdaq Global Market operated by NASDAQ, Inc. ("**NASDAQ**"). Given this intention, the Board concluded that England was not the most appropriate domicile for the parent company of the Accustem Group because it would be expensive for UK Accustem to directly list UK Accustem Shares, being shares of an English company, on NASDAQ. Therefore, if UK Accustem remained the parent company of the Accustem Group, it would not be advantageous to the Accustem Group to continue to list ADSs in respect of UK Accustem Shares on NASDAQ. The Board believes that listing shares on NASDAQ directly, as opposed to maintaining its current listing of ADSs, will provide for greater analyst coverage, liquidity and reduce costs for shareholders. Therefore, the Scheme will establish a US Accustem Group holding company, US Accustem, incorporated in Delaware, USA. Delaware is a well-established jurisdiction for companies traded on NASDAQ and shares of Delaware corporations are capable of being directly listed on NASDAQ.

As part of the proposals, the exchange ratio under the Scheme has been set at twenty-for-one for holders of UK shares and ten-to-one for holders of ADS shares, to ensure that the shares of US Accustem qualify to trade on NASDAQ. Shareholders will still own the same proportion of US Accustem immediately after the Scheme becomes effective as they did of UK Accustem immediately before the Scheme became effective, subject to fractional interests, if any. A fractional entitlement may arise as a result of the Scheme. For example, as the ratio for the exchange of shares in the Scheme is twenty-for-one, then an UK Accustem Shareholder holding 41 UK Accustem Shares immediately after the Scheme becomes effective will, be entitled to 2 US Accustem Shares and a fractional entitlement to a further one-twentieth US Accustem Share. Fractional entitlements of US Accustem Shares shall not be issued and to the extent UK Accustem Shareholders are entitled to fractional US Accustem Shares, those fractional entitlements will be aggregated by US Accustem's transfer agent, PST, and sold as soon as practicable after the Scheme Effective Date at the then prevailing prices on the open market and the net proceeds of sale distributed *pro rata* to the UK Accustem Shareholders entitled to them. Neither US Accustem nor any other person shall be responsible or have any liability whatsoever for any loss or damage (actual or alleged) arising from the terms or the timing of the sales or any failure to sell fractional entitlements to US Accustem Shares.

#### **4. IMPACT OF THE PROPOSALS**

##### **4.1 Business and operations**

It is expected that US Accustem will have the same business and operations after the Scheme Effective Date as UK Accustem has before the Scheme Effective Date.

The proposals will not result in any changes to the day-to-day operation of the business of the Accustem Group or its strategy.

##### **4.2 Corporate governance and Board of Directors**

In connection with the proposals, US Accustem will adopt a Code of Business Conduct and Ethics which covers a broad range of matters including the handling of conflicts of interest, compliance issues and other corporate policies such as insider trading and equal opportunity and non-discrimination standards. US Accustem's Code of Business Conduct and Ethics will apply to all directors, executive officers and employees of US Accustem. US Accustem will publish its Code of Business Conduct and Ethics on its website ([www.accustem.com](http://www.accustem.com)). The information contained on US Accustem's website does not form part of this announcement or the Scheme Document.

The proposals are not expected to have any adverse impact on UK Accustem Shareholders as a whole. US Accustem will have the same board and management as UK Accustem on the Scheme Effective Date.

Further details on the specific effects of the proposals on the Directors are set out in Part V of the Scheme Document.

#### 4.3 **NASDAQ Listing and OTC Quotation**

If the Scheme proceeds as presently envisaged, it is expected that US Accustem Shares may be listed on NASDAQ in early 2022. US Accustem will seek a trading facility on the US OTC market for US Accustem Shares, to be in place shortly after the Scheme is implemented.

#### 4.4 **Dividends**

The US Accustem Shares will rank *pari passu* in all respects, including the right to receive all dividends and other distributions (if any) declared, paid or made by US Accustem. The Directors expect US Accustem to adopt the dividend policy that UK Accustem has adopted to date. At present, UK Accustem intends to pay dividends at such times (if any) and in such amounts (if any) as the Directors determine appropriate in the absolute discretion. UK Accustem's current intention is to retain any earnings for use in its business operations, and UK Accustem does not currently anticipate declaring any dividends until it is generating significant revenue. UK Accustem will only pay dividends to the extent that to do so is in accordance with all applicable laws.

#### 4.5 **UK Accustem Share Schemes, US Accustem Share Scheme and UK Accustem Warrants**

Details of proposals to be made to holders of options and awards granted under the UK Accustem Share Schemes (as defined in the Scheme Document) are set out in paragraph 8 of Part II of the Scheme Document.

Details of the US Accustem Share Scheme expected to be adopted by US Accustem, subject to the approval of such adoption by the UK Accustem Shareholders at the Scheme General Meeting and the Scheme becoming effective, are set out in paragraph 7 of Part V of the Scheme Document.

#### 4.6 **Taxation**

##### ***UK and US taxation***

The attention of UK Accustem Shareholders is drawn to paragraph 6 of Part V of the Scheme Document for further information about the taxation consequences of the Scheme.

**The summary information on taxation in the Scheme Document is intended as a guide only and holders of UK Accustem Shares who are in any doubt about their tax position, or who are resident for tax purposes outside the UK or the US, are strongly advised to contact an appropriate professional independent adviser without delay.**

#### 5. **ACTION TO BE TAKEN**

The Scheme is conditional upon a number of matters which are set out in full in the Explanatory Statement contained in Part II of the Scheme Document, including approval of the Scheme by the UK Accustem Shareholders at the Court Meeting and the Resolutions at the Scheme General Meeting (each as defined in the Scheme Document). Full particulars of the Court Meeting and the Scheme General Meeting are also contained in Part II of the Scheme Document, including the action to be taken by UK Accustem Shareholders.

**In order that the High Court can be satisfied that the votes cast fairly represent the views of UK Accustem Shareholders, it is important that as many votes as possible are cast at the Court Meeting. UK Accustem Shareholders are therefore urged to attend the Court Meeting remotely via the virtual meeting platform or by proxy. Separate Forms of Proxy for use at the Court Meeting (blue) and the Scheme General**

**Meeting (yellow) are enclosed. Whether or not UK Accustem Shareholders propose to attend remotely via the virtual meeting platform at the meeting in question, UK Accustem Shareholders are encouraged to complete, sign and return the appropriate Forms of Proxy, as explained in paragraph 11 of the Explanatory Statement contained in Part II of the Scheme Document.**

If UK Accustem Shareholders have any queries please contact Link Group on +44 (0)371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Proposals nor give any financial, legal or tax advice.

Registered holders of UK Accustem ADSs as at the ADS Voting Record Time (as defined in the Scheme Document) will be contacted by the JPMorgan Chase Bank, N.A, as depositary for the UK Accustem ADSs (the "**Depositary**") for the UK Accustem ADSs with guidelines on how to provide voting instructions to the Depositary with respect to the UK Accustem ADSs. In order to vote, holders of UK Accustem ADSs are required to follow the voting instructions and to meet the deadlines provided by the Depositary. Persons that hold UK Accustem ADSs in accounts with brokers or other securities intermediaries as at the ADS Voting Record Time should follow the instructions provided by their brokers or other securities intermediaries.

## **6. OVERSEAS SHAREHOLDERS**

The attention of UK Accustem shareholders who are a citizen, resident or national of a jurisdiction outside the United Kingdom is drawn to paragraph 9 of Part II of the Scheme Document.

## **7. RECOMMENDATION**

**The Board considers the proposals and their terms to be fair and reasonable and in the best interests of UK Accustem and UK Accustem Shareholders as a whole.**

**Accordingly, the Board unanimously recommends UK Accustem Shareholders and holders of UK Accustem ADSs to vote in favour of the Scheme at the Court Meeting and to vote in favour of all the Resolutions proposed at the Scheme General Meeting as the Directors who hold interests Scheme Shares (being Gabriele Cerrone, Dr. Kunwar Shailubhai and Willy Simon) intend to do in respect of their own beneficial holdings, amounting in aggregate to 76,257,080 UK Accustem Shares and representing approximately 38.13 per cent. of the issued share capital of UK Accustem at the Latest Practicable Date.**

**For further enquiries:**

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