

01 December 2020

MESH Holdings PLC
(“MESH” or “the Company”)

Convertible loan from All Active Asset Capital

All Active Asset Capital issued the following announcement on 30 November 2020 in respect of its Convertible Loan to Mesh Holdings plc:

AAA is pleased to announce that it has agreed the terms for providing a secured convertible €3.0m loan (‘the Loan’) to MESH Holdings plc (‘MESH’).

The Loan will have a duration of two years and will yield annual interest of 5.0% payable on repayment. At the sole discretion of AAA, the Loan can be converted into new ordinary shares in MESH at a price of 40p per MESH share. The Loan will have a first ranking security interest over the shares of Sentiance NV (‘Sentiance’) that are held by MESH and will be funded through the cash resources held by the Company. The Loan may, in certain circumstances, be repayable to AAA prior to the repayment date.

MESH intends to use the funds from the Loan to make a loan of €3,000,000 to Sentiance, with these funds ultimately being used by MESH to subscribe for new shares in Sentiance. When complete this is expected to increase MESH’s shareholding in Sentiance from its current 16.6% to 20.5%.

Sentiance is an emerging organisation within the fields of behavioural, ethical artificial intelligence and machine learning, with its ‘Motion Intelligence’ and ‘Behavioural Change Platform’ technologies. Sentiance has recently announced new partnerships, and extended partnerships and contracts with well-known international businesses, including several Fortune 500 customers.

MESH is an investing company which aims to incubate emerging technology brands that are conceived to provide people with more meaningful experiences. For the year ended 30 September 2019, MESH’s audited loss for the year was £13,859,000 (2018: £337,000) and audited net assets as at 30 September 2019 were £16,636,000 (2018: £493,000).

Issue of warrants exercisable at 15p

On 14 May 2020, AAA was granted options (‘the Options’) to acquire a total of 20,500,000 warrants (‘the ASLR Warrants’) in Asimilar Group plc (‘ASLR’), all of which have now lapsed following the expiry of the ASLR Warrants on 31 October 2020 and 30 September 2020 respectively.

The Board of AAA (‘the Board’) originally entered into the Option arrangement with the intention of exercising the Options at an appropriate time. In recognition of AAA not exercising the Options prior to their lapse dates, the Board now considers that it is appropriate that the underlying holders of the ASLR Warrants are granted a total of 49.2 million warrants to subscribe for new ordinary shares in AAA (‘AAA Warrants’).

The AAA Warrants are exercisable at 15p per Ordinary Share for a period of 18 months from the date of grant, being today’s date. The exercise price of the AAA Warrants represents a significant premium to AAA’s closing mid-market price on 27 November 2020 and the exercise in full of the AAA Warrants would raise £7.38 million for the Company. The AAA Warrants shall not be admitted to trading on AIM or any other stock market, but will be transferable.

Rodger Sargent, Executive Director of AAA, commented, “We are delighted to have gained this initial indirect exposure to MESH’s interest in Sentiance through the convertible loan with MESH. Sentiance continues to make significant progress with its award-winning technology. We believe next year will be a breakthrough year for Sentiance, as it moves from a stealth, proof of concept mode towards becoming a global technology player.”

For further information:

MESH Holdings plc

Mike Power and Robert Bonnier

via Buchanan

Buchanan Communications Limited

Richard Oldworth / Chris Lane

Tel: +44 (0) 20 7466 5000