

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ("MAR"). With the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain.

24 May 2018

GoTech Group plc

("GoTech", the "Company" or the "Group")

Proposed cancellation of admission to trading on AIM, placing via convertible loan notes, change of name and implementation of future strategic focus on the cannabis market

GoTech, the cash shell admitted to trading on AIM, announces its intention to, inter-alia, seek shareholder approval for;

- the cancellation of admission of its Ordinary Shares to trading on AIM ("Cancellation");
- a placing to raise £250,000, before expenses, via the issuance of convertible loan notes;
- a proposed application for its Ordinary Shares to be admitted to trading on NEX Exchange Growth Market ("NEX") as a NEX Investment Vehicle;
- a proposed change of the Company's name, and
- a repositioning as an investment vehicle seeking to take advantage of the growing market of medicinal cannabis and other related cannabis or hemp products.

The Company will tomorrow post to its shareholders a circular (the "Circular") containing a notice convening a general meeting (the "GM") to be held at 11.00 a.m. on 11 June 2018 at the offices of Peterhouse Capital Limited, New Liverpool House, 15 Eldon Street, London EC2M 7LD.

Extracts from the Circular, which sets out the reasons for seeking Cancellation, are set out below and a copy of the Circular will shortly be made available on the Company's website

<https://www.gotechgroup-plc.com/>

Shareholders should note that trading in the Company's Ordinary Shares on AIM will be suspended with effect from 7.30am on 21 June 2018 pursuant to AIM Rule 15. Admission of the Ordinary Shares to trading on NEX cannot occur if the Cancellation Resolution is not approved and the Cancellation does not occur.

For further information, please visit www.gotechgroup-plc.com or contact:

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EXTRACTS FROM THE CIRCULAR

The following has been extracted without amendment from, and should be read in conjunction with, the Circular to Shareholders dated 24 May 2018, which will shortly be made available on the Company's website <https://www.gotechgroup-plc.com/>

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this document	24 May 2018
Posting to Shareholders of this document	25 May 2018
Latest time and date for receipt of Forms of Proxy	7 June 2018
General Meeting	11 June 2018
Last day of dealings in Ordinary Shares on AIM	20 June 2018
Suspension of dealings in Ordinary Shares on AIM	7.30 a.m. on 21 June 2018
Cancellation of admission of the Ordinary Shares to trading on AIM	7.00 a.m. on 22 June 2018
Admission of the Ordinary Shares to trading on NEX	8.00 a.m. on 22 June 2018

Notes:

- (1) References to times in this document are to London time (unless otherwise stated).
- (2) The dates set out in the timetable above may be subject to change.
- (3) If any of the above times or dates should change, the revised times and/or dates will be notified by an announcement to a regulatory information service.
- (4) The Cancellation requires approval of not less than 75 per cent. of the votes cast by Shareholders at the General Meeting.
- (5) Admission of the Ordinary Shares to trading on NEX cannot occur if the Cancellation does not occur.

LETTER FROM THE INTERIM CHAIRMAN

Introduction

The Company announced on 24 May 2018 that it is seeking Shareholder approval for the cancellation of the admission of its Ordinary Shares to trading on AIM. The purpose of this letter is to explain the background to the Cancellation and the reasons why the Directors unanimously consider it to be in the best interests of the Company and its Shareholders as a whole and to seek your approval for the Cancellation, the implementation of the Investment Strategy, the placing via convertible loan notes, Admission to NEX and change of name to High Growth Capital plc, at the General Meeting convened for this purpose (the "Proposals"). The notice of the General Meeting is set out at the end of this document.

Shareholders should note that trading in the Company's Ordinary Shares on AIM will be suspended with effect from 7.30am on 21 June 2018 pursuant to AIM Rule 15. Admission of the Ordinary Shares to trading on NEX cannot occur if the Cancellation Resolution is not approved and the Cancellation does not occur.

Background to and reasons for the Proposals

GoTech was re-admitted to trading on AIM as Guscio plc in May 2016, following the acquisition of Sportsdata Limited and Dataplay Holdings Limited (the "Business"). The core focus of GoTech since then has been on Skills2Achieve, a digital, physical literacy assessment programme for the UK school market. As announced in the Company's September 2016 final results and the March 2017 half-yearly results, sales of Skills2Achieve remained at a low level, resulting in a loss in both of those accounting periods. On 20 December 2017, the Company announced that Gail Ganney had resigned from the Board, that no replacement executive appointment would be sought, and that no further speculative funding would be allocated to the Business. As a consequence of these actions, the Company was deemed to have become an AIM Rule 15 Cash Shell under the AIM Rules. Further, on 23 April 2018, the Company disposed of the Business to Starnevesse for a consideration of £1.00.

As an AIM Rule 15 Cash Shell, the Company is required to make an acquisition or acquisitions which constitute a reverse takeover under AIM Rule 14 on or before the date falling six months from the announcement dated 20 December 2017 or be readmitted to trading on AIM as an investing company under the AIM Rules (which requires the raising of at least £6 million). Failing which, the Company's Ordinary Shares would then be suspended from trading on AIM pursuant to AIM Rule 40. Admission to trading on AIM would be cancelled six months from the date of suspension should the reason for the suspension not have been rectified.

Since becoming an AIM Rule 15 Cash Shell, the Directors have sought to engage with and evaluate multiple reverse takeover opportunities, but none have satisfied the Board's acquisition criteria. Further, the costs associated with maintaining admission of the Ordinary Shares to trading on AIM (including professional, legal, accounting, broker and nominated adviser costs and fees of the London Stock Exchange) are now disproportionate to the value provided by admission. Accordingly, it has been necessary for the Board to consider alternative proposals and opportunities and, following this evaluation, the Board believes that the Company should reposition itself as an investment vehicle to be able to take advantage of the growing market of medicinal cannabis and other related cannabis or hemp products. Further details of the Company's proposed new Investment Strategy are set out below.

As the Company cannot satisfy the Investing Company criteria under the AIM Rules and the costs of maintaining its admission to trading on AIM have become untenable for a company of GoTech's size, the Board considers that NEX is a more appropriate market for the Ordinary Shares to trade on and will enable Shareholders to continue to trade their Ordinary Shares.

As such the Directors propose to apply for admission to trading on NEX and adopt a new Investment Strategy, allowing the Company to make investments in what the Directors believe to be a fast-growing sector.

Cancellation and background

While the Company remains an AIM Rule 15 Cash Shell, the AIM Rules require that the Company makes an acquisition or acquisitions which constitute a reverse takeover under AIM Rule 14 on or before 21 June 2018, which would not allow the Company to implement the proposed new Investment Strategy of the Company.

In addition, the AIM Rules would require a company to obtain shareholder approval for disposals that exceed 75 per cent and acquisitions that exceed 100 per cent of any of the AIM Rules' class tests. For a company with a small market capitalisation, like GoTech, this means there is the additional burden and costs of publishing a circular and obtaining shareholder approval before a transaction which exceeds these thresholds can be completed. If the Cancellation is approved and the Company is no longer subject to the AIM Rules, the Company would be able to consider acquiring a new business or selling an operating subsidiary, unit or asset in order to return value to Shareholders without these additional costs, in-line with its new Investment Strategy. The NEX Rules do not require a circular in the event of a fundamental disposal, but require an announcement detailing specific information on the disposal, pursuant to rule 54 of the NEX Rules.

The Directors believe that Shareholders find it very difficult to trade their Ordinary Shares even though they are admitted to trading on AIM and therefore, the Directors believe that NEX would offer the same level of liquidity as AIM with the benefit of incurring lower costs and operating in a more suitable regulatory environment catering for small companies.

For the reasons set out above the Board has concluded that it would be in the best interests of the Company and Shareholders as a whole if the admission of the Company's Ordinary Shares to trading on AIM were to be cancelled.

Resolution 1 to be proposed at the General Meeting is to approve the Cancellation.

Effect of the Cancellation on Shareholders

The principal effects of the Cancellation would be that:

- (a) Shareholders will not be able to trade their Ordinary Shares on AIM;
- (b) the Company would no longer be required to comply with any of the additional specific corporate governance requirements for companies admitted to trading on AIM;
- (c) the Company will no longer be subject to the AIM Rules and Shareholders will no longer be required to vote on certain matters as provided in the AIM Rules; and
- (d) the Company will cease to have a nominated adviser. The Company is currently required under the AIM Rules to consult with its nominated adviser on, for example, transactions constituting "related party transactions" under those rules, and to inform the nominated adviser of key decisions such as any proposed changes to the Board. Following Cancellation, the Shareholders will also no longer benefit from the protection afforded by the nominated adviser.

However, the principal effects of the listing on NEX would be that:

- (a) Shareholders will be able to trade their Ordinary Shares on NEX;
- (b) the Company would be required to comply with any of the additional specific corporate governance requirements for companies admitted to trading on NEX; and
- (c) the Company will be subject to the NEX Rules and Shareholders will be required to vote on certain matters as provided in the NEX Rules.

There may be personal tax consequences for Shareholders. If you are in any doubt about your tax position, and/or are subject to tax in a jurisdiction other than the UK, you should consult an appropriate independent professional adviser.

Process for Cancellation

In accordance with Rule 41 of the AIM Rules, the Company has notified the London Stock Exchange of the intention to have its Ordinary Shares cancelled from admission to trading on AIM, subject to Shareholder approval. Under the AIM Rules, it is a requirement that the Cancellation is approved by the requisite majority of Shareholders voting at the General Meeting (being not less than 75 per cent of the votes cast). Accordingly, Resolution 1 set out in the Notice of General Meeting at the end of this document seeks Shareholders' approval for the Cancellation. Subject to the Cancellation Resolution being passed at the General Meeting, it is anticipated that Cancellation will take effect at 7.00 a.m. on 22 June 2018. Upon the Cancellation becoming effective the Company will no longer be required to comply with the AIM Rules.

Shareholders should note that trading in the Company's Ordinary Shares on AIM will be suspended with effect from 7.30am on 21 June 2018 pursuant to AIM Rule 15. Admission of the Ordinary Shares to trading on NEX cannot occur if the Cancellation Resolution is not approved and the Cancellation does not occur.

Investment Strategy

Conditional on all resolutions being approved at the General Meeting and Cancellation occurring, the Company's Investment Strategy will be to initially effectively become a UK, European, Canadian and Australian-focused medicinal cannabis and related products' index tracker and investor. The Company will aim to track companies in the sector that are quoted or listed on public company stock exchanges and Recognised Investment Exchanges such as the NEX Exchange Growth Market. Constituents must have a business strategy focused on the medicinal cannabis industry, or other related cannabis or hemp products. The index will be equally-weighted and rebalanced on a regular basis.

On 29 March 2018, the first ever initial public offering of a company primarily focused on the cannabis sector was undertaken on the NEX Exchange Growth Market, a Recognised Investment Exchange, by Sativa Investments plc. The Company anticipates that this IPO will be a catalyst for a number of additional UK stock market listings by companies operating in the cannabis sector in the near future. It is also the aim of the Company to ensure that it provides investors with direct exposure to such companies, developing a de-facto 'tracker' covering such UK listed cannabis companies admitted to any and all UK public markets.

The Company will adapt its longer-term investment policy to reflect the growth of the UK-listed cannabis market place, initially, to provide the maximum range and depth of exposure to investee companies. The Company intends to adopt a policy of acquiring up to 10 per cent. of the share capital of each company it invests into, or £150,000 worth of such equity, whichever is the lower amount, and, subject to, and, at the discretion of the Board. Resolution 2 to be proposed at the General Meeting is to approve the adoption of the Investment Strategy.

AIF Status

The Company has lodged an application with the FCA as a Small Registered UK Alternative Investment Fund Manager ("SRUKAIFM") under the Alternative Investment Fund Managers Directive.

The Board has resolved not to implement the Company's new Investment Strategy unless and until receipt of FCA approval of the Company's SRUKAIFM application (and in any event subject to Shareholder approval of the Investment Strategy at the General Meeting).

Placing via Convertible Loan Notes

On 24 May 2018, the Company announced it had raised £250,000, before expenses, via the issuance of un-secured and non-interest bearing loan notes, convertible into Ordinary Shares of the Company. The loan notes will convert automatically immediately following admission to trading on NEX at, the lower of either, 0.4 pence per share or a 10 per cent. discount to the opening bid-price, on the first day of admission to the NEX Exchange Growth Market ("Loan Notes"). The Ordinary Shares to be issued pursuant to the proposed Loan Note conversion will rank *pari passu* with the existing Ordinary Shares.

The Company intends to use the net proceeds of the fundraising to implement its Investment Strategy, as set out above.

In the event that admission to trading on NEX does not occur and, therefore, conversion of the Loan Notes is not undertaken prior to 28 June 2018, holders of Loan Notes may redeem the entire value of the Loan Notes.

Resolution 4 to be proposed at the General Meeting is to approve the placing.

Admission to NEX

The Directors will apply on 29 May 2018 for admission to trading of the Company's entire issued share capital consisting of 273,679,535 fully paid Ordinary Shares, to the NEX Exchange Growth Market, with trading expected to commence at 8.00 a.m. on 22 June 2018 ("Admission"), subject to Cancellation having occurred.

NEX Exchange is a Recognised Investment Exchange aimed at small to medium enterprises. NEX is the second largest UK junior stock market (after AIM) for smaller companies. The market provides an important and cost-effective destination for smaller growing companies that require capital to support their growth potential. NEX, like AIM, is a market maker driven platform.

The Company would like to take advantage of the fast-track admission process on NEX. The NEX trading platform will provide liquidity in the Company's shares while allowing the Board to implement its new Investment Strategy as detailed above.

Following admission to NEX and subject to the approval of the new Investment Strategy, the Company will be categorised as an Investment Vehicle under the NEX Rules.

An Investment Vehicle is defined in the NEX Exchange Rules as:

"An issuer whose actual or intended principal activity is to invest in the securities of other businesses (whether publicly traded or not), or to acquire a particular business, in accordance with specific investment criteria."

As an Investment Vehicle, any substantial acquisition or investment by the Company in accordance with its investment strategy is likely to be treated as a Reverse Takeover under Rule 57 of the NEX Exchange Rules and will therefore be subject, *inter alia*, to approval by Shareholders.

In compliance with Rule 51 of the NEX Exchange Rules, if the Company (as an Investment Vehicle) has not substantially implemented its investing policy after the period of one year following Admission, it will seek Shareholder approval in respect of the subsequent year for the further pursuit of its investment strategy.

While Rule 52 of the NEX Exchange Rules, the Company (as an Investment Vehicle), is required to substantially implement its investment strategy within a period of two years following Admission. In

the event that the Company has not undertaken a transaction constituting a Reverse Takeover under Rule 57 of the NEX Exchange Rules, or if it has otherwise failed to substantially implement its investment strategy within such two-year period, NEX Exchange will suspend trading of the Company's Issued Share Capital in accordance with Rule 78 of the NEX Exchange Rules. If suspension occurs, the Directors will consider returning the Company's cash to Shareholders after deducting all related expenses. However, in the case of the Company, NEX considers the two years period to have commenced on 20 December 2017, the date on which the Company became AIM Rule 15 cash shell.

Change of Name

In view of the change in the nature of the Company's business, it is proposed that the Company change its name to High Growth Capital plc.

Resolution 3 to be proposed at the General Meeting is to approve the change of name.

Directorate Changes

Conditional on all Resolutions being passed at the General Meeting, Cancellation occurring and the Company being admitted to trading on the NEX Exchange Growth Market, Malcolm Alec Burne, will join the Board of the Company.

Malcolm Alec Burne is a serial financial markets entrepreneur who, as principle, has developed businesses in stockbroking, fund management, corporate finance and venture capital. He started his career as an investment columnist with the 'Financial Times' and has lived and worked in Australia, Hong Kong and Canada as well as the UK. He is a director of a number of companies in early stage venture investing and remains founder Chairman of Golden Prospect Precious Metals Limited, a quoted Guernsey based closed end investment company.

Imminently after admission to NEX, the Company will also appoint a further Board member or a sub-board managerial advisory committee member to enhance the Company's expertise pursuant to its proposed Investment Strategy.

General Meeting

Set out at the end of this document is the notice convening the GM to be held on 11 June 2018 at 11.00 a.m. at Peterhouse Capital Limited, New Liverpool House, 15 Eldon Street, London EC2M 7LD, at which the Resolutions will be proposed.

Action to be taken

Shareholders will find enclosed with this document a Form of Proxy for use at the GM. Whether or not you intend to be present at the GM, you are requested to complete and sign the Form of Proxy and return it to the Company's Registrars, Share Registrars Limited at The Courtyard, 17 West Street, Farnham, Surrey GU9 7DR as soon as possible and, in any event, so as to arrive no later than 11.00 a.m. on 7 June 2018. Unless the Form of Proxy is received by this date and time, it will be invalid. The completion and return of a Form of Proxy will not preclude you from attending the GM and voting in person if you so wish.

Shareholders are reminded that, if their Ordinary Shares are held in the name of a nominee, only that nominee or its duly appointed proxy can be counted in the quorum and vote at the General Meeting.

If you are in any doubt as to what action you should take, you are recommended to seek your own personal financial advice from your broker, bank manager, solicitor, accountant or other

independent financial adviser authorised under the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser, immediately.

Recommendation

The Directors consider that the Proposals are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors recommend that Shareholders vote in favour of the Resolutions to be proposed at the GM.

DEFINITIONS

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

“Act”	the Companies Act 2006 (as amended);
“AIM”	the market of that name operated by the London Stock Exchange;
“AIM Rules”	the AIM Rules for Companies published by London Stock Exchange (as amended from time to time);
“Articles”	the articles of association of the Company as at the date of this document;
“Board” or “Directors”	the directors of the Company as at the date of this document, whose names are set out on page 5 of this document;
“Cancellation”	the cancellation of admission of the Ordinary Shares of the Company to trading on AIM;
“Certificated” or in “Certificated Form”	a share or security which is not in uncertificated form (that is, not in CREST);
Company” or “GoTech”	GoTech Group plc, a public limited company incorporated in England and Wales under registered number 03904514 and having its registered office at 27/28 Eastcastle Street, London, W1W 8DH;
“CREST”	the computerised settlement system (as defined in the CREST Regulations) operated by Euroclear UK & Ireland Limited which facilitates the transfer of title to shares in uncertificated form;
“Disposal”	the disposal of Sportsdata approved at the Company’s general meeting held on 23 April 2018;
“Document”	this document and its contents;
“FCA”	The Financial Conduct Authority;

“Form of Proxy”	the form of proxy enclosed with this document for use by Shareholders in connection with the General Meeting;
“General Meeting” or “GM”	the general meeting of the Company convened for 11.00 a.m. on 11 June 2018, notice of which is set out at the end of this document;
“Investment Strategy”	the proposed new investment strategy, further details of which are set out on page 8 of this Document;
“London Stock Exchange”	London Stock Exchange plc;
“NEX Exchange”	NEX Exchange Limited, a recognised investment exchange under section 290 of FSMA;
“NEX Exchange Growth Market” or “NEX”	the primary market for unlisted securities operated by NEX Exchange;
“NEX Exchange Rules” or “NEX Rules”	the NEX Exchange Growth Market Rules for Issuers, which set out the admission requirements and continuing obligations of companies seeking admission to and whose shares are admitted to trading on the NEX Exchange Growth Market;
“Notice of GM”	the notice convening the GM, which is set out at the end of this document;
“Ordinary Shares”	the ordinary shares of 0.1 pence each in the capital of the Company from time to time;
“Recognised Investment Exchange”	a recognised investment exchange under section 290 of FSMA;
“Resolution”	the resolutions set out in the Notice of GM to approve the change of Investment Strategy, the placing and the Delisting;
“Shareholders”	holders of Ordinary Shares from time to time and the term “Shareholder” shall be construed accordingly;
“Starnevesse”	Starnevesse Limited, a private limited company registered in England and Wales with company number 05325901 which is beneficially owned as to 98.3 per cent. and controlled by Richard Thompson;
“SRUKAIFM”	a Small Registered UK Alternative Investment Fund Manager, being an internally managed AIFM, with less than €100 million of funds under management;
“United Kingdom” or “UK”	the United Kingdom of Great Britain and Northern Ireland;
“£”	pounds sterling, the lawful currency of the United Kingdom; and

“€”

euro, the lawful currency of the Eurozone in the European Union.