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12 June 2023

## **ACG Acquisition Company Limited**

(“**ACG**” or the “**Company**”)

### **ACG announces the creation of a major new force in global critical metals focused on the western electric vehicle (“EV”) value chain**

- **Acquisition of two mines in Brazil from funds advised by Appian Capital Advisory LLP (“Appian”) for an enterprise value of \$1.0 billion will create a new leader in green critical metals supplying Stellantis, PowerCo (wholly owned Volkswagen battery subsidiary), and other western EV manufacturers**
- **Nickel sulphide and copper concentrates produced at newly built, cash-generative mines with industry-leading low carbon footprint and best-in-class Environmental, Social and Governance (“ESG”) standards**
- **The Acquisition (as defined below) is supported by \$100 million commitments to subscribe for ACG equity from each of Glencore, Stellantis and La Mancha, and a \$100 million prepayment from PowerCo**
- **ACG, to be renamed ACG Electric Metals Limited (“ACG Electric Metals”), is ideally positioned to benefit from the EV revolution as supplier of choice to the western automotive industry value chain**

ACG has today agreed the acquisition of two cash-generative mining operations in Brazil, producing nickel sulphide and copper concentrates with low carbon emissions. Critical minerals mined at the Brazilian sites will be refined in Europe and North America and then supplied to car manufacturers, fortifying the EV supply chain in western countries.

The **Atlantic Nickel** nickel sulphide mine in Santa Rita and the **Mineração Vale Verde (“MVV”)** copper mine in Serrote will be acquired on a cash- and debt-free basis from funds advised by Appian for an enterprise value of \$1.0 billion<sup>1</sup> (the “**Acquisition**”). Both mines are long-life, low-cost and ranked within the first decile for carbon emissions amongst all nickel and copper producers worldwide. They have a combined 2022 Adjusted EBITDA<sup>2</sup> of \$260 million.

The transaction is backed by equity commitments (subject to customary closing conditions, as applicable) from leading global investors: Glencore, Stellantis and La Mancha. The transaction is also backed by other commitments from Royal Gold (royalty financing), Citigroup, ING and Societe Generale (senior debt), PowerCo (prepayment) and Appian (backstop to equity raise).

The Company, to be renamed **ACG Electric Metals**, will provide security of supply, full supply-chain accountability and low carbon emissions products to western EV manufacturers and other industrial customers. For investors, it offers exposure to long-term demand generated by the global energy transition, high-calibre management and governance, and a London-listed company with a vision for

continued growth and further consolidation in the critical metals space. Its clear strategic focus is on the western EV supply chain.

**Artem Volynets, CEO of ACG, said:**

*“We are very proud to announce this landmark transaction in strategic partnership with Glencore, Stellantis, La Mancha, PowerCo and Royal Gold, as well as senior debt providers Citigroup, ING and Societe Generale. It will establish ACG Electric Metals as a premier supplier of critical metals into the western EV value chain, with best-in-class ESG characteristics and minimal CO<sub>2</sub> emissions.*

*ACG Electric Metals will be a company designed to take advantage of the opportunities presented by key global trends: the massive increase in demand for battery metals, the polarisation of supply chains, and the need to reduce carbon emissions - from the mine to the end-customer.*

*These high-quality mines will enable ACG’s mission to be the green metals supplier of choice to western EV automakers. This acquisition establishes a solid platform for further growth and long-term shareholder value creation.”*

**Michael W. Scherb, Founder and CEO of Appian commented:**

*“Atlantic Nickel and MVV are market-leading assets, which Appian has optimized through the strength of its operating model and its ability to identify, acquire and develop mining projects having built and financed 9 mines into production in the last 7 years. Now they are in production, ACG is the ideal steward for their next phase of growth.*

*This transaction highlights the importance of robust, reliable and sustainable supplies of EV commodities for western automotive OEMs and industry, a core pillar of Appian’s investment strategy.*

*By providing critical minerals for the energy transition and green tech, in addition to value-add capital and technical support, Appian is strategically positioned to capitalise on global trends in decarbonization.”*

**Transaction Highlights**

- Global commodities group **Glencore** has committed to subscribe for \$100 million in ACG equity as anchor investor and will become an off-taker of choice for ACG, allowing for supply of ACG Electric Metals’ nickel sulphide concentrate to Glencore’s western European and North American refineries.
- The mines’ output is highly suitable for western automakers, enabling them to maintain full visibility and security of supply across the value chain, as demonstrated by commitments from the following leading western car companies:
  - a) **Stellantis** – one of the world’s leading automakers and mobility providers – has committed to subscribe for \$100 million in ACG equity as anchor investor (subject to customary closing conditions).
  - b) **PowerCo**, a wholly owned subsidiary of **Volkswagen**, has committed to make a \$100 million prepayment to ACG for equivalent nickel units to the tonnage contained in a portion of the concentrates produced by the Atlantic Nickel mine at Santa Rita.
- Leading mining investment fund, **La Mancha Resource Fund** (“La Mancha”), has committed to subscribe for \$100 million in ACG equity as anchor investor (subject to customary closing conditions). La Mancha is advised by La Mancha Resource Capital, a leading investment adviser focused on the precious and energy transition metals sector that is authorised and regulated by the FCA (FRN 978592).
- Both Stellantis and La Mancha will have the right to nominate one director each to the Board of ACG.
- **Royal Gold**, a major precious metal stream and royalty investor, has committed \$250 million in royalty finance across both Atlantic Nickel and MVV.

- **Citigroup, ING, and Societe Generale**, three global financial institutions with a long track record in Brazil and the mining sector, will be acting as Coordinating Lead Arrangers and have underwritten \$300 million in senior debt through a \$225 million term loan facility and a \$75 million revolving credit facility.
- These investments and partnerships are designed to optimize the mines' ability to meet future global demand, and to help address supply chain challenges currently arising in global commodities.
- As part of the transaction, ACG has reinforced its commitment to sustainability practices at its mining sites by agreeing to implement the IRMA Standard for Responsible Mining at the Santa Rita mine, and to undergo an IRMA assessment in 2025 and 2030.
- The mines' Competent Person's Reports ("CPRs") are published alongside this announcement. These CPRs attribute an aggregate value of greater than \$2.0 billion to both assets as follows: \$546 million for the Santa Rita open pit mine, \$942 million for the Santa Rita underground mine (PEA)<sup>3</sup>, and \$540 million for the Serrote mine.<sup>4</sup>
- Nickel sulphide is readily processed through a more carbon-efficient route into high quality forms of nickel that are used in the production of batteries for electric vehicles, while copper plays an essential role throughout the global energy transition more broadly. Brazil is a mining-friendly jurisdiction, well-integrated into the supply chains of refineries and original equipment manufacturers ("OEMs") worldwide.
- Upon the closing of the Acquisition, ACG Electric Metals will be the only London-listed nickel sulphide producer with pure play electric metals exposure – creating a natural platform for further M&A-led growth and consolidation of critical metals assets focused on deliveries to leading western OEMs.
- ACG will continue to be led by its Chief Executive Officer, Artem Volynets, and Carole Whittall as Chief Financial Officer. Mr Volynets has led private and public transactions worth more than \$30 billion and managed major companies in the metals and mining industry. He leads a team with extensive experience in the global mining sector, with a commitment to ESG principles and transparent corporate governance.
- Responsibility for the operation of the mines in Brazil will continue to be held by Paulo Castellari-Porchia and Milson Mundim, who have together for many years led a highly capable and experienced local management team and achieved an excellent ESG, health and safety record. Following completion, the operating team in its entirety will join ACG Electric Metals, providing continuity and a solid basis for integrating future acquisitions.
- As a part of the transaction, Appian will retain its 2.75% Net Smelter Royalty ("NSR") on the Santa Rita mine and La Mancha will be granted a 2.5% NSR on production from the Santa Rita mine once 212,228,700 pounds of nickel equivalent has been produced from 31 December 2022. Additionally, an enterprise value of \$65 million has been associated with Appian's contemplated gold royalty on MVV that, while not in place upon closing of the Acquisition, will be paid to Appian as a part of the consideration.
- ACG has secured the following funding sources towards the consideration required for the Acquisition:
  - a) \$250 million in binding royalty finance commitments from Royal Gold, a leading global royalty company.
  - b) \$225 million in committed senior debt underwritten by a syndicate led by Citigroup, ING and Societe Generale, who have also agreed to provide a \$75 million revolving credit facility.

- c) \$100 million in the form of a binding prepayment commitment from PowerCo, a subsidiary of Volkswagen AG, for equivalent nickel units to the tonnage contained in a portion of the concentrates produced by the Atlantic Nickel mine at Santa Rita.
- d) Commitments to subscribe for \$300 million in ACG equity (each subject to customary closing conditions) from the following:
  - a commitment of \$100 million from Glencore;
  - a commitment of \$100 million from Stellantis; and
  - a commitment of \$100 million from La Mancha.
- ACG will conduct a c.\$300 million equity offering (the “**Equity Offering**”) to fund the balance of the Acquisition consideration, repayment of certain MVV debt obligations and certain transaction costs. Up to \$50 million of the planned Equity Offering is subject to a backstop by Appian.
- The Equity Offering will enable a broader universe of institutional investors to participate in the ownership of ACG, and is expected to commence in late June 2023 and complete in mid-July 2023.
- The proposed Acquisition, which is subject to obtaining the approval of ACG’s public shareholders at an extraordinary meeting expected to be held on or about 19 July 2023 and applicable regulatory approvals, is currently expected to complete on or about 25 July 2023.<sup>5</sup>

*1 Enterprise value of \$1.0 billion plus \$65 million associated with Appian’s contemplated gold royalty on MVV, for a total enterprise value of \$1.065 billion, which is subject to a \$100 million enterprise value to equity value bridge.*

*2 “2022 Adjusted EBITDA” means profit before taxation, finance income/expense, depreciation and amortization and the exclusion of the impact of certain items due to their materiality and nature to aid comparability, for the financial year ended 31 December 2022.*

*3 The Santa Rita underground mine NPV is based on a preliminary economic assessment (PEA). Please consult the CPRs for more detail.*

*4 Post-tax NPV at 8% discount rate. The Serrote NPV includes the impact of a 35% gold revenue royalty (GRR) that was contemplated by funds managed by Appian Capital at the time of preparation of the CPRs. Such royalty will not be in place upon closing of the Acquisition.*

*5 All dates are indicative and subject to change.*

## Target Highlights

- The Atlantic Nickel mine at Santa Rita possesses a rare nickel sulphide resource, a key input into the class I nickel products used in EVs. The mine possesses an attractive life of mine average C1 cash cost in the first quartile of the global nickel cost curve (c. \$3.16/lb nickel for open pit; c. \$2.02/lb nickel for underground). The operation currently comprises an open pit mine which produced c. 15 kt of payable nickel equivalent in 2022, with a planned expansion into an underground mine once the open pit reserves are depleted. It plans for an average contained nickel equivalent production of 31 ktpa over a 33-year life of mine with an attractive average C1 cash cost in the first quartile of the global nickel cost curve. The site benefits from over \$1 billion in historical capex since initial construction began in 2007.
- The Mineração Vale Verde mine at Serrote operates a conventional open pit mine and processing operation producing high quality copper-gold concentrate. It plans for an average copper equivalent production of c. 20ktpa over a 12-year life of mine, at an average C1 cash cost of \$1.37/lb copper. There is potential to significantly extend the life of mine through extension of the mining deposit, which is already under assessment.
- Taken together, the two operations exhibit a robust financial profile with both attractive P/NAV and strong EV/EBITDA multiples that outperform base metal peers<sup>1</sup>: a P/NAV of 0.6x based on analyst consensus forecasted commodity prices and 0.4x based on forward curve commodity prices, below the peer average of 0.7x, and an EV/24E EBITDA of 4.2x based on analyst consensus forecasted commodity prices and 4.3x based on forward curve commodity prices, below the peer average of 4.9x.

- Both mines possess expansive land packages for further exploration. The Santa Rita site contains 32 tenements covering c.36k hectares, with a deposit already identified within a 25km radius. The Serrote site containing 10 tenements covering c.14k hectares, with a preliminary economic assessment currently underway for a deposit 15km from the existing site.
- Atlantic Nickel and MVV already possess strong ESG credentials. Current owner Appian is a signatory to the United Nations Principles for Responsible Investment (“UNPRI”), and has issued ESG reports following Sustainable Accounting Standards Board (“SASB”) guidelines. Under Appian’s management, both mines have a comprehensive Stakeholder Engagement Plan (“SEP”), aligned with internationally recognized standards and guidelines including mining-specific frameworks from AccountAbility, the International Council on Mining and Metals (“ICMM”) and the International Finance Corporation (“IFC”).

*1 Base metals peers include: Ero Copper, Independence Group, Mincor, Sandfire, Capstone, Central Asia Metals, Taseko, Atalaya, 29Metals, Panoramic, and Harita. Market data as at 2 June 2023. Source: Thomson One Analytics and Factset..*

## **About ACG**

ACG is a company with a vision to consolidate the critical metals industry. Through a series of roll-up acquisitions, ACG intends to become a premier supplier of critical metals to the western OEM supply chain, with best-in-class ESG and carbon footprint characteristics. On October 12, 2022, ACG successfully raised proceeds of approximately \$125 million in its initial public offering, and listed on the London Stock Exchange (symbols: ACG and ACGW).

The Company's co-sponsors are (1) ACG Mining Limited, a BVI business firm whose main shareholder is Artem Volynets, (2) De Heerd Investments Limited, a Hong Kong-based asset manager with an extensive track-record of global investments and (3) Argentem Creek Partners LP, an emerging markets specialist firm investing in special situations, private credit, high yield, and trade finance.

For further information please visit:

[www.acgcorp.co](http://www.acgcorp.co)

## **About Appian**

Appian Capital Advisory LLP is the investment advisor to Appian Natural Resources Fund I, Appian Natural Resources Fund II, Appian Natural Resources Fund III and Appian Credit Strategies I (collectively, the “Appian Funds”), which are private capital funds that invest in mining or mining related companies.

Appian is a leading investment advisor in the metals and mining industry, with global experience across South America, North America, Europe, Australia and Africa and a successful track record of supporting companies to achieve their development targets, with a global operating portfolio overseeing over ~6,300 employees. Appian offers its investors exposure to attractive mineral markets via a unique technical and operating approach. Appian has offices in London, Toronto, New York, Lima, Belo Horizonte, Montreal, Mexico City, Dubai and Perth.

The Appian Funds acquired 100% ownership of each of the Santa Rita mine and the Serrote mine in 2018. Appian has developed nine mines into production since 2016, and this transaction marks its 10<sup>th</sup>, 11<sup>th</sup> and 12<sup>th</sup> exits.

[www.appiancapitaladvisory.com](http://www.appiancapitaladvisory.com)

## **Contacts for ACG**

Palatine Communications – *Communications Advisor*

Conal Walsh / Andreas Grueter / Kelsey Traynor / Richard Seed

[acg@palatine-media.com](mailto:acg@palatine-media.com)

## **Contacts for Appian**

FGS Global – *Communications Advisor*

Charles O'Brien / Richard Crowley / Theo Davies-Lewis

[AppianCapital-LON@fgsglobal.com](mailto:AppianCapital-LON@fgsglobal.com)

## **ADVISORS**

Rothschild & Co is acting as sole financial advisor to ACG. Cleary Gottlieb Steen & Hamilton LLP, Lefosse, and Harney Westwood & Riegels LP are acting as legal advisors to ACG.

Citigroup and Standard Chartered are acting as financial advisor to Appian. Norton Rose Fulbright and Cescon, Barrieu, Flesch & Barreto are acting as legal advisors to Appian.

BMO, Citigroup, and RBC are acting as placement agents in connection with the Acquisition and the proposed institutional offering of equity securities. Latham & Watkins (London) LLP and Mattos Filho, Veiga Vilho, Marrey Jr. E Quiroga Advogados are acting as legal advisors to BMO, Citigroup and RBC.

## **TRANSACTION STRUCTURE**

### ***The Acquisition***

ACG has agreed to acquire (i) a 100% interest in Mirabela Participações S.A., which holds a 100% interest in Atlantic Nickel Mineração Ltda., the company operating the Santa Rita mine, (ii) a 100% interest in Serrote Participações S.A, which holds a 100% interest in Mineração Vale Verde do Brasil Ltda., the company operating the Serrote mine, (iii) 100% interests in AMH (Jersey) Limited and AMH 2 (Jersey) Limited, which are parties to certain intragroup loans and royalties (collectively, the “**Targets**”) and (iv) certain shareholder loans granted to the Targets by Appian entities. The purchase price for the Acquisition will be paid in cash and will reflect certain adjustments from the effective locked box date of 31 December 2022, until closing. Following completion of the Acquisition, the Company and the Targets will constitute a new group (the “**Enlarged Group**”).

ACG has secured the following funding sources for the Acquisition:

- (i) \$250 million in binding royalty finance commitments from Royal Gold, a leading global royalty company (subject to customary closing conditions).
- (ii) \$225 million in committed senior debt, underwritten by a syndicate led by Citigroup, ING and Societe Generale, who have also agreed to provide a \$75 million revolving credit facility.
- (iii) \$100 million in the form of a binding prepayment commitment from PowerCo, a subsidiary of Volkswagen AG, for equivalent nickel units to the tonnage contained in a portion of the concentrates produced by the Atlantic Nickel mine at Santa Rita.
- (iv) \$100 million in ACG equity from Glencore as anchor investor (subject to customary closing conditions), with Glencore agreeing to a six-month lock-up, subject to certain customary exemptions.
- (v) \$100 million in ACG equity from Stellantis as anchor investor (subject to customary closing conditions), with Stellantis agreeing to a six-month lock-up, subject to certain customary exemptions.
- (vi) \$100 million in ACG equity from La Mancha as anchor investor (subject to customary closing conditions), with La Mancha agreeing to a six-month lock-up, subject to certain customary exemptions.
- (vii) An up to \$50 million backstop to the planned Equity Offering provided by Appian.

These funding sources do not include any excess cash in the Targets, which may also be used to fund the Acquisition. They also exclude the proceeds of ACG’s initial public offering that are currently held in escrow (of \$125 million). Those proceeds will only be used to fund the Acquisition and other corporate purchases to the extent not needed to finance the redemptions of ACG’s class A ordinary shares by its existing public shareholders (as defined in the UK Financial Conduct Authority’s (the “FCA”) Listing Rules).

### **The planned Equity Offering**

ACG intends to provide a broader universe of institutional investors with the opportunity to participate in ACG Electric Metal’s future value creation through a planned Equity Offering of approximately \$300 million to be placed by a syndicate of banks led by BMO Capital Markets Limited (“BMO”), Citigroup, and RBC Europe Limited (“RBC”). The offering is backstopped by Appian up to \$50 million.

The planned Equity Offering will fund the balance of the Acquisition consideration, repayment of certain MVV debt obligations and certain transaction costs.

The planned Equity Offering is planned to commence in late June, 2023 and complete in mid-July, 2023.

### **Board Recommendation**

The Board of Directors of ACG has unanimously approved the Acquisition and intends to recommend that ACG’s existing public shareholders vote in favour of the Acquisition.

### **Closing Conditions**

The closing of the Acquisition is subject to the satisfaction or waiver of customary closing conditions, including the approval of the Acquisition by a general meeting of ACG’s shareholders, the clearance by the Brazilian antitrust authority (*Conselho Administrativo de Defesa Econômica*) and the re-admission of all of the class A ordinary shares and the warrants of the Enlarged Group to listing, effective as of the closing date of the Acquisition (see “**Conditions Precedent**” below).

*1 Enterprise value of \$1.0 billion plus \$65 million associated with Appian’s contemplated gold royalty on MVV, for a total enterprise value of \$1.065 billion, which is subject to a \$100 million enterprise value to equity value bridge.*

### **Expected Timetable**

Transaction Announcement	12 June 2023
Transaction Update, including Q1 financial information and instructions for existing ACG shareholders; commencement of redemption period	16 June 2023
Research publication	16 June 2023
Research analysts investor education	16 June – 29 June 2023
Publication of prospectus, notice convening Acquisition EGM and shareholder circular and launch of Equity Offering	30 June 2023
ACG Management Roadshow	30 June – 14 July 2023
Completion of Equity Offering	14 July 2023
Redemption deadline for existing ACG shareholders	17 July 2023

Acquisition EGM	19 July 2023
Transaction completion, closing and settlement	25 July 2023

The Acquisition is expected to close on 25 July 2023.

On or around 16 June 2023, ACG will publish on its website an update to the market regarding the Acquisition, which will include (i) Q1 2023 financial information for the Targets and (ii) a description of the various procedures that must be complied with by existing public ACG shareholders to redeem their shares in accordance with the redemption arrangements included in ACG's Memorandum and Articles of Association. It is expected that the redemption period for existing public ACG shareholders to exercise such redemption rights will commence on such date (i.e., 16 June 2023) and expire on the second business day prior to the Acquisition EGM (as defined below).

Following approval by the FCA of a prospectus containing further details regarding the Acquisition, ACG intends to convene a general meeting of its public shareholders for purposes of considering the Acquisition (the "**Acquisition EGM**").

No later than fourteen calendar days prior to the date of the Acquisition EGM, ACG will publish on its website the notice convening the Acquisition EGM, the shareholder circular and any other related documents.

The Acquisition will be treated as a reverse takeover (as defined in the FCA's Listing Rules). The Company has adopted, and maintains as of the date hereof, a structure in compliance with FCA Listing Rule 5.6.18AG, as set out in the prospectus published by ACG in connection with its IPO.

Effective as of the closing of the Acquisition, the existing listing of ACG's class A ordinary shares and warrants will be cancelled. ACG will apply for the re-admission of all of the class A ordinary shares and the warrants of the Enlarged Group, effective as of the closing of the Acquisition, to the standard listing segment of the Official List of the FCA and for all of the class A ordinary shares and the warrants to be re-admitted to trading on the London Stock Exchange.

The long stop date is 18 August 2023. If the Acquisition has not been completed by that date, either party may terminate the Acquisition Agreement.

*I All dates are indicative and subject to change.*

## **KEY TERMS OF THE ACQUISITION**

### **Acquisition Agreement**

#### ***Scope of the acquisition***

ACG has agreed to acquire the Targets and ACG will acquire shareholder loans granted from Appian and its affiliates to the Targets.

#### ***Warranties and indemnities***

ACG is the beneficiary of a customary warranties package relating to, among other things, accuracy of disclosure, capacity of the sellers, title over the target shares, constitution and share capital of the Targets, accounts, absence of material developments from the latest accounts, financing and other material agreements, grants, compliance with law, litigation, anti-bribery, permits, insolvency, related-party transactions, environmental matters, mining matters, assets, insurance, employment, and taxation.

ACG also benefits from indemnities covering, among other things, all taxes relating to the pre-completion period and a number of issues identified in the course of the due diligence on the Targets, including certain outstanding litigation and administrative proceedings.

The warranties and indemnities under the SPA are backed by a combination of insurance cover and seller obligations totalling approx. US\$400 million in cover for ACG, and are subject to customary limitations and qualifications.

### **Transition arrangements**

For 12 months after completion, specified Target employees will be made available to Appian affiliates for a portion of their time in return for an agreed fee, and certain Appian employees will be made available to the Enlarged Group to respond to questions for purposes of assisting with the transition.

### **ADDITIONAL INFORMATION**

For further information on the Acquisition and the Santa Rita and Serrote mines, please consult the CPRs and the acquisition presentation slide deck available at [www.acgcorp.co](http://www.acgcorp.co) in the section headed “*Acquisition Documents and Announcements*”.

The description of the transactions contained herein is only a high-level summary. Additional information about the transactions will be provided in the prospectus and the shareholder circular, which will be published in due course.

The prospectus and the shareholder circular will include information required by applicable law, including information that has not been included in this announcement, in particular: further details on the terms of the proposed transaction, including the expected dilution effect on public shareholders from securities held by ACG’s directors and co-sponsors, or from new securities issued or expected to be issued as part of the transaction, further information relating to how the Targets have been valued by ACG and any other material details and information relating to the Acquisition.

### **DISCLAIMER**

This announcement is not for publication or distribution, directly or indirectly, in or into Australia, Canada, Japan, the Republic of South Africa or the United States or any other jurisdiction where to do so would constitute a violation of the relevant laws of such jurisdiction. The distribution of this announcement may be restricted by law in certain jurisdictions and persons into whose possession any document or other information referred to herein comes should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

These materials are not an offer for sale of securities in the United States or in any other jurisdiction. The securities referred to herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”), or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not be offered, sold, resold, pledged, delivered, assigned or otherwise transferred, directly or indirectly, within the United States except pursuant to an effective registration statement under the Securities Act, to persons reasonably believed to be qualified institutional buyers (“**QIBs**”) in reliance on Rule 144A of the Securities Act or another exemption from, or in a transaction not subject to, the registration requirements of the Securities Act, in each case in accordance with any applicable securities laws of any state of the United States. There has been and will be no public offering of the securities in the United States. Securities will also be offered and sold outside of the United States in offshore transactions in compliance with Regulation S under the Securities Act.

This announcement does not constitute an offer of securities to the public in any member state of the European Economic Area (the “**EEA**”) (each a “**Member State**”), no action has been undertaken or will be undertaken to make an offer to the public of securities requiring publication of a prospectus in any Member State. This announcement is only addressed to and is only directed at persons in Member States who are “qualified investors” (“**Qualified Investors**”) within the meaning of Article 2(e) of Regulation (EU) 2017/1129 (such Regulation, together with any applicable implementing measures in the relevant home Member State under such Regulation, the “**Prospectus Regulation**”). This announcement and the information contained herein must not be acted on or relied upon in any Member State by persons who are not Qualified Investors. Any investment or investment activity to

which this announcement relates is only available to, and any invitation, offer or agreement to purchase, subscribe or otherwise acquire the same will be engaged in only with, Qualified Investors. For the purpose of this paragraph, the expression “offer of securities to the public” means the communication in any form and by any means of sufficient information on the terms of the offer and the securities to be offered so as to enable the investor to decide to purchase or subscribe for the securities and the expression “Prospectus Regulation” means Regulation (EU) 2017/1129 and includes any amendments and relevant delegated regulations thereto.

This announcement does not constitute an offer of securities to the public in the United Kingdom. In the United Kingdom, this announcement is only addressed to and directed at persons in the United Kingdom who are “qualified investors” within the meaning of Article 2(e) of Regulation (EU) 2017/1129, as amended, as it forms part of retained EU law by virtue of the European Union (Withdrawal) Act 2018 (the “**U.K. Prospectus Regulation**”). In addition, this announcement is being distributed to, and is only directed at, qualified investors (i) who have professional experience in matters relating to investments falling within the definition of “investment professionals” in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “FPO”), (ii) who fall within Article 49(2)(a) to (d) of the FPO or (iii) to whom it may otherwise lawfully be communicated (all such persons, together with “qualified investors” within the meaning of Article 2(e) of the U.K. Prospectus Regulation, being referred to as “**Relevant Persons**”). This announcement and the information contained herein must not be acted on or relied upon in the United Kingdom, by persons who are not Relevant Persons. Any investment or investment activity to which this announcement relates is available only to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire the same will be engaged in only with, Relevant Persons. For the purpose of this paragraph, the expression “offer of securities to the public” means the communication in any form and by any means of sufficient information on the terms of the offer and the securities to be offered so as to enable the investor to decide to purchase or subscribe to the securities.

Securities of the Company have not been and will not be registered under the applicable securities laws of Australia, Canada, Japan of the Republic of South Africa and, subject to certain exceptions, may not be offered or sold within Australia, Canada, Japan or the Republic of South Africa except under circumstances which will result in the full compliance with the applicable laws and regulations promulgated by the relevant regulatory authorities in effect at the relevant time.

### **Forward-looking statements**

Some of the information in these materials may contain projections or other forward-looking statements regarding future events or the future financial performance of ACG and the Enlarged Group. You can identify forward looking statements by terms such as “expect”, “believe”, “anticipate”, “estimate”, “intend”, “will”, “could”, “may” or “might” the negative of such terms or other similar expressions. ACG wishes to caution you that these statements are only predictions and that actual events or results may and often do differ materially. ACG does not intend to update these statements to reflect events and circumstances occurring after the date hereof or to reflect the occurrence of unanticipated events. Any forward-looking statements reflect ACG’s current view with respect to future events and many factors could cause the actual results to differ materially from those contained in projections or forward-looking statements of ACG, including, among others, ACG’s ability to obtain adequate information to evaluate the target assets, ACG’s ability to successfully or timely complete the contemplated acquisition, ACG’s and Appian’s expectations around the performance of the target assets, ACG’s success in retaining or recruiting, or changes required in, ACG’s officers, key employees or directors following the contemplated acquisition, ACG’s officers and directors allocating their time to other businesses and potentially having conflicts of interest with the Company’s business or in approving the contemplated acquisition, ACG’s public securities’ potential liquidity and trading, the lack of a market for ACG’s securities, ACG’s potential ability to obtain additional financing to complete the contemplated acquisition and the financial performance of the enlarged group that would result from the potential completion of the contemplated acquisition. Forward-looking statements speak only as of the date they are made.

**Inside information**

This announcement contains inside information for the purposes of the UK Market Abuse Regulation. The person responsible for the release of this information on behalf of the Company is Artem Volynets, Chief Executive Officer.