

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent professional adviser authorised for the purposes of the Financial Services and Markets Act 2000 who specialises in advising on the acquisition of shares and other securities before taking any action. The whole of this document should be read.

If you have sold or transferred all of your registered holding of Ordinary Shares please forward this document, but not the personalised Form of Proxy, as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other party through whom the sale or transfer was effected, for transmission to the purchaser or transferee. If you have sold or transferred only part of your registered holding of Ordinary Shares, you are advised to consult your stockbroker, bank or other agent through whom the sale or transfer was effected.

This document does not comprise a prospectus in accordance with the Prospectus Rules and, pursuant to section 85 of the Financial Services and Markets Act 2000 (as amended), has not been drawn up in accordance with the Prospectus Rules. This document has not been approved by the Financial Conduct Authority or by any other authority in any jurisdiction.

**The Existing Ordinary Shares are currently admitted to trading on AIM. Application will be made to the London Stock Exchange for the Ordinary Shares, including the Placing Shares, to be admitted to trading on AIM following the Share Reorganisation. It is expected that admission of the Ordinary Shares, including the Placing Shares, will become effective, and dealings for normal settlement in the Ordinary Shares, including the Placing Shares, will commence, at 8.00 a.m. on 22 June 2018. The Ordinary Shares, including the Placing Shares, will not be dealt in, or on, any other recognised investment exchange and no other such application will be made. 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. 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. Neither the London Stock Exchange nor the UKLA has examined or approved the contents of this document.**

---

## **TRANSENSE TECHNOLOGIES PLC**

*(Incorporated and registered in England and Wales with  
registered number 1885075)*

**CONDITIONAL PLACING OF 2,500,000 NEW ORDINARY SHARES AT A PRICE OF 40 PENCE  
PER SHARE TO RAISE APPROXIMATELY £1 MILLION**

**SHARE REORGANISATION**

**NOTICE OF GENERAL MEETING**

***FINNCAP LIMITED***

***NOMINATED ADVISER AND BROKER***

---

The Placing Shares will, following allotment, rank *pari passu* in all respects with the Existing Ordinary Shares in issue at the date of Admission including the right to receive all dividends and other distributions thereafter declared made or paid on the ordinary share capital of the Company.

Notice of a General Meeting of the Company to be held at the offices of finnCap, 60 New Broad Street, London, EC2M 1JJ at 2.00 p.m. on 21 June 2018 at which the Special Resolution required to effect the Placing and the Share Reorganisation is to be proposed is set out at the end of this document. All Shareholders are urged to complete and return the enclosed Form of Proxy, whether or not they intend to be present at the General Meeting, in accordance with the instructions printed thereon so as to arrive as soon as possible and in any event so as to be received by the Company's registrars, Neville Registrars Limited, at their offices at Neville House, 18 Laurel Lane, Halesowen B63 3DA by not later than 2.00 p.m. on 19 June 2018. Completion and posting of the Form of Proxy will not prevent a Shareholder from attending and voting in person at the General Meeting. Your attention is drawn to the letter from the Chairman of the Company which is set out in this document which contains a unanimous recommendation from the Directors that you vote in favour of the Special Resolution to be proposed at the General Meeting.

finnCap, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting as nominated adviser and broker to the Company in connection with the Placing and will not be acting for any other person or

otherwise be responsible to any person for providing the protections afforded to customers of finnCap or for advising any other person in respect of the Placing. finnCap's responsibilities as the Company's nominated adviser under the AIM Rules for Nominated Advisers are owed solely to the London Stock Exchange and are not owed to the Company nor to any other person. finnCap is not making any representation or warranty, express or implied, and takes no responsibility for the contents of this document or for the General Meeting.

The release, publication or distribution of this document in or outside the UK may be restricted by law. Persons who come into possession of this document should inform themselves about and observe any applicable restrictions or requirements in their particular jurisdiction. Failure to comply with these restrictions may constitute a violation of the securities laws of such jurisdiction. No action has been taken by the Company or finnCap that would permit possession or distribution of this document in any jurisdiction (including the United Kingdom) where action for that purpose is required.

This document does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy securities to any person in any jurisdiction to whom or in which such offer or solicitation is unlawful. The Existing Ordinary Shares and the Placing Shares have not been, and will not be, registered under the United States Securities Act of 1933, as amended, or under the securities legislation of any state of the United States. The relevant clearances have not been, and will not be, obtained from the Securities Commission of any province or territory of Canada; no document in relation to the Placing has been, or will be, lodged with, or registered by, the Australian Securities and Investments Commission; and no registration statement has been, or will be, filed with the Japanese Ministry of Finance in relation to the Placing. Subject to certain exceptions, the Placing Shares may not, directly or indirectly, be offered or sold within the United States or any other Excluded Territory or offered or sold to a person within the United States or any other Excluded Territory. Any failure to comply with these restrictions may constitute a violation of the securities law of any jurisdiction.

It is the responsibility of any person receiving a copy of this document outside the United Kingdom to satisfy himself or herself as to the full observance of the laws and regulatory requirements of the relevant territory in connection therewith, including obtaining any government 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.

The contents of this document should not be construed as legal, business, financial or tax advice. Each Shareholder should consult his, her or its own legal adviser or tax adviser for legal, business, financial or tax advice.

#### **Cautionary note regarding forward-looking statements**

This document contains statements about Transense Technologies plc that are or may be deemed to be "forward-looking statements".

All statements, other than statements of historical facts, included in this document may be forward-looking statements. Without limitation, any statements preceded or followed by, or that include, the words "targets", "plans", "believes", "expects", "aims", "intends", "will", "may", "should", "anticipates", "estimates", "projects", or words or terms of similar substance or the negative thereof, are forward-looking statements. Forward-looking statements include, without limitation, statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects and (ii) business and management strategies and the expansion and growth of the operations of Transense Technologies plc.

These forward-looking statements are not guarantees of future performance. These forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of any such person, or industry results, to be materially different from any results, performance or achievements expressed or implied by such forward-looking statements. These forward-looking statements are based on numerous assumptions regarding the present and future business strategies of such persons and the environment in which each will operate in the future. Investors should not place undue reliance on such forward-looking statements and, save as is required by law or regulation (including to meet the requirements of the AIM Rules, the City Code, the Prospectus Rules and/or the FSMA), Transense Technologies plc does not undertake any obligation to update publicly or revise any forward-looking statements (including to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based). All subsequent oral or written forward-looking statements attributed to Transense Technologies plc or any persons acting on their behalf are expressly qualified in their entirety by the cautionary statement above. All forward-looking statements contained in this document are based on information available to the Directors of Transense Technologies plc at the date of this document, unless some other time is specified in relation to them, and the posting or receipt of this document shall not give rise to any implication that there has been no change in the facts set forth herein since such date.

## CONTENTS

	<i>Page</i>
Expected Timetable of Principal Events	4
Key Statistics	5
Definitions	6
Directors, Secretary and Advisors	8
Letter from the Chairman	9
Notice of General Meeting	12

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

	2018
Announcement of the Placing	31 May
Date of publication of this document	31 May
Last date and time for receipt of Forms of Proxy	2.00 p.m. on 19 June
General Meeting	2.00 p.m. on 21 June
Share Reorganisation effective	6.00 p.m. on 21 June
Admission and commencement of dealings in Placing Shares (and Ordinary Shares (post Share Reorganisation)) on AIM	8.00 a.m. on 22 June
CREST accounts credited with Placing Shares in uncertificated form	8.00 a.m. on 22 June
Definitive share certificates in respect of Placing Shares in certificated form despatched	No later than 6 July

*If any of the details contained in the timetable above should change, the revised times and dates will be notified to Shareholders by means of a Regulatory Information Service announcement. All events listed in the above timetable following the General Meeting are conditional on the passing of the Special Resolution at the General Meeting.*

*References to time in this document and the Notice of General Meeting are to British Summer Time.*

*All enquiries in connection with the procedure for completion of the Form of Proxy or in connection with attendance at the General Meeting should be made to the Registrar on the shareholder helpline on 0121 585 1131 or if you are calling from outside the UK on +44 121 585 1131. Calls are charged at Shareholders' network providers' standard rates. Lines are open from 9 a.m. to 5 p.m. (British Summer Time) Monday to Friday (excluding Bank Holidays). Calls to the helpline from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. Please note the Registrar cannot provide financial, legal or tax advice on the merits of the Placing or the Reorganisation. Calls may be recorded and monitored for security and training purposes.*

## KEY STATISTICS

Issue Price	40 pence
Number of existing Ordinary Shares in issue at the date of this document	9,548,948
Aggregate number of Placing Shares	2,500,000
Market capitalisation of the Company on Admission at the Issue Price	£4.8 million
Number of Placing Shares as a percentage of the share capital in issue immediately following Admission <sup>1</sup>	20.7 per cent.
Gross proceeds of the Placing	£1 million

### Notes:

<sup>1</sup> This figure assumes that no Options are exercised prior to Admission.

## DEFINITIONS

“Act”	Companies Act 2006
“Admission”	the admission of the Placing Shares to trading on AIM having become effective in accordance with the AIM Rules
“AIM”	a market operated by London Stock Exchange plc
“AIM Rules”	AIM Rules for Companies published by the London Stock Exchange (as amended or reissued from time to time)
“Articles”	the articles of association of the Company (as amended from time to time)
“Board” or “Directors”	the board of directors of the Company, as at the date of this document, whose names are set out on page 8 of this document
“Business Day”	any day (excluding Saturdays and Sundays) on which banks are open in London for normal banking business
“City Code”	City Code on Takeover and Mergers
“Company” or “Transense”	Transense Technologies plc
“CREST”	the relevant system (as defined in the Uncertificated Securities Regulations 2001 (S.I. 2001/3755)) for the paperless settlement of trades and the holding of uncertificated securities, operated by Euroclear UK & Ireland Limited, in accordance with the same regulations
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (S.I. 2001/3755), as amended from time to time
“Deferred Shares”	deferred shares of 40 pence each in the capital of the Company following the passing of the Special Resolution
“Effective Time”	6.00 p.m. on 21 June 2018 (or, if the General Meeting is adjourned, 6.00 p.m. on the date of the adjourned General Meeting)
“Engagement Letter”	the engagement letter dated on or around the date of this document between the Company and finnCap relating to the Placing
“Excluded Territories”	any jurisdiction except the United Kingdom
“Existing Ordinary Shares”	the 9,548,948 Ordinary Shares in issue at the date of this document
“finnCap”	finnCap Limited, nominated adviser and broker to the Company, and any of its affiliates
“Form of Proxy”	the form of proxy for use by Shareholders at the General Meeting
“FSMA”	the Financial Services and Markets Act 2000 (as amended)
“General Meeting”	the general meeting of the Company, convened for 2.00 p.m. on 21 June 2018, and any adjournment thereof, notice of which is set out in the Notice, which will consider the Special Resolution
“Group”	Transense and its subsidiaries
“HMRC”	Her Majesty's Revenue & Customs
“Issue Price”	40 pence per Placing Share
“London Stock Exchange”	London Stock Exchange plc
“Notice”	the notice of General Meeting set out at the end of this document
“Official List”	the list of all securities that have been approved by the UKLA for trading on a UK regulated market
“Options”	options to subscribe for Ordinary Shares granted by the Company

“Ordinary Shares”	ordinary shares in the capital of the Company having a nominal value of 50 pence each prior to the Share Reorganisation becoming effective and having a nominal value of 10 pence upon the Share Reorganisation becoming effective;
“Placee”	a subscriber for Placing Shares under the Placing
“Placing”	the conditional placing of the Placing Shares by finnCap with certain institutional and other investors at the Issue Price
“Placing Shares”	the 2,500,000 new Ordinary Shares to be issued pursuant to the Placing
“Prospectus Rules”	the Prospectus Rules published by the FCA (as amended or reissued from time to time)
“Share Reorganisation”	the share reorganisation proposed to be effected by the Special Resolution in the Notice
“Shareholder(s)”	holder(s) of Ordinary Shares from time to time
“Special Resolution”	the special resolution to be proposed at the General Meeting, details of which are set out in the Notice
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland
“UKLA”	the Financial Conduct Authority acting in its capacity as the competent authority for the purposes of Part VI of FSMA
“uncertificated” or “in uncertificated form”	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 CREST Regulations, may be transferred by means of CREST
“United States” or “U.S.”	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia

A reference to “£” is to pound sterling, being the lawful currency of the UK.

A reference to “€” is to the Euro, being the official currency of 19 of the 28 member states of the European Union.

## DIRECTORS, SECRETARY AND ADVISORS

Directors	David Ford (Chairman) Graham Storey (Chief Executive Officer) Melvyn Segal (Finance Director) Nigel Rogers (Non-Executive Deputy Chairman) Rodney James Westhead (Non-Executive Director)
Company Secretary and Registered Office	Melvyn Segal 1 Landscape Close Weston-on-the-Green Bicester Oxfordshire OX25 3SX
Nominated Adviser and Broker	finnCap Limited 60 New Broad Street London EC2M 1JJ
Solicitors to the Company	Charles Russell Speechlys LLP 5 Fleet Place London EC4M 7RD
Auditors	Grant Thornton UK LLP The Colmore Building 20 Colmore Circus Birmingham B4 6AT
Registrar	Neville Registrars Limited Neville House 18 Laurel Lane Halesowen B63 3DA
Website	<a href="http://www.transense.co.uk">http://www.transense.co.uk</a>



## LETTER FROM THE CHAIRMAN

### Transense Technologies plc

(Incorporated and registered in England and Wales under the Companies Act 1985 with registered number 1885075)

Directors:

D M Ford (Chairman)  
H G D Storey (Chief Executive Officer)  
M Segal (Finance Director)  
N Rogers (Non-Executive Deputy Chairman)  
R J Westhead (Non-Executive Director)

Registered Office:

1 Landscape Close  
Weston-on-the-Green  
Bicester  
Oxfordshire  
OX25 3SZ

31 May 2018

To the Shareholders and, for information only, to holders of Options

Dear Shareholder,

## PLACING OF 2,500,000 NEW ORDINARY SHARES AT A PRICE OF 40 PENCE PER SHARE TO RAISE APPROXIMATELY £1 MILLION

### SHARE REORGANISATION

#### NOTICE OF GENERAL MEETING

#### 1. Introduction

The Company today announced a conditional placing with certain institutional and other investors, to raise approximately £1 million before expenses through the issue of 2,500,000 new Ordinary Shares at the Issue Price (referred to in this document as, the “**Placing Shares**”).

The Issue Price is at a discount of approximately 9.1 per cent. to the closing middle market price of 44 pence per existing Ordinary Share on 30 May 2018 (being the last practicable date before publication of this document).

The purpose of this document is to provide you with details of the Placing, to explain the background to and the reasons for the Placing and why the Directors recommend that Shareholders vote in favour of the Special Resolution to be proposed at the General Meeting. As the Placing Price is below the nominal value of the Company’s Existing Ordinary Shares, the Company needs to effect the Share Reorganisation to effect the Placing, and further details of the Share Reorganisation are set out in paragraph 4 below.

The Placing and Share Reorganisation are each conditional, *inter alia*, on the passing of the Special Resolution by Shareholders at the General Meeting, notice of which is set out at the end of this document. If the Special Resolution is passed, the Admission of the Placing Shares to trading on AIM is expected to occur at 8.00 a.m. on 22 June 2018.

#### 2. Background to and reasons for the Placing

The Directors believe that it is prudent for the Company to seek further capital at this time to fund the Group’s trade. The use of proceeds of the Placing are set out in paragraph 5 below.

The Directors believe the Placing to be the most appropriate way to provide the capital necessary to meet the Company’s future requirements. As at 30 April 2018, the Company held cash and cash equivalents of approximately £804,000 (unaudited), and had no bank borrowings.

The Company has generally sought to give all Shareholders the opportunity to participate in previous fundraises by way of an offer for subscription. However, on this occasion the fundraising has been conducted with the intention of minimising the associated costs, both direct and in terms of limited management time. Taking that into account the Company has reluctantly decided not to make an offer for subscription to the Shareholders on this occasion.

#### 3. Details of the Placing

##### 3.1 Placing

The Company has conditionally raised approximately £1 million before expenses through the Placing. Application will be made to the London Stock Exchange for the Ordinary Shares, including the Placing Shares, to be admitted to trading on

AIM and it is expected that Admission will become effective and that dealings in the Ordinary Shares, including the Placing Shares, will commence on AIM at 8.00 a.m. on 22 June 2018. Assuming no Options are exercised prior to Admission, the Placing Shares will represent approximately 20.7% of the ordinary share capital of the Company in issue immediately following Admission.

### **3.2 Engagement Letter**

Pursuant to the terms of the Engagement Letter, finnCap, as nominated adviser and broker to the Company, has conditionally procured Places for the Placing Shares at the Issue Price. The Engagement Letter is conditional, amongst other things, upon the Special Resolution being duly passed at the General Meeting and Admission becoming effective on or before 8.00 a.m. on 31 July 2018. The Engagement Letter contains provisions entitling finnCap to terminate the Engagement Letter at any time prior to Admission in certain circumstances. The Placing has not been underwritten.

### **3.3 General**

All Placing Shares will be issued credited as fully paid and will rank *pari passu* in all respects with the Ordinary Shares in issue from time to time, including the right to receive all dividends and other distributions declared on or after the date on which they are issued.

For details as to the expected date and times by which certain events (e.g. Admission, the crediting of CREST accounts and the dispatch of share certificates) are expected to happen in relation to the Placing Shares and the Share Reorganisation, please refer to the information on page 4 (Expected Timetable of Principal Events) of this document.

## **4. Share Reorganisation**

The nominal value of the Ordinary Shares is currently 50 pence per share. As a matter of English law, the Company is unable to issue the Placing Shares at an issue price which is below their nominal value. It is therefore proposed to sub-divide the entire existing share capital, both issued and to be issued, consisting of 9,548,948 Ordinary Shares of 50 pence nominal value each, into 9,548,948 Ordinary Shares of 10 pence nominal value each and 9,548,948 Deferred Shares of 40 pence nominal value each, thus enabling the Company lawfully to implement the Placing at the Issue Price.

Each Ordinary Share resulting from the Share Reorganisation will have the same rights (including voting and dividend rights and rights on a return of capital) as each Existing Ordinary Share except that they will have a nominal value of 10 pence each.

The Deferred Shares will, as their name suggests, have very limited rights which are deferred to the Ordinary Shares and will effectively carry no value as a result. Accordingly, the holders of the Deferred Shares will not be entitled to receive notice of, attend or vote at general meetings of the Company, nor be entitled to receive any dividends or any payment on a return of capital until at least £10,000,000 has been paid on each Ordinary Share. No application will be made for the Deferred Shares to be admitted to trading on AIM.

The Company will also be given power to arrange for all the Deferred Shares to be transferred to a custodian or to be purchased for nominal consideration only without the prior sanction of the holders of the Deferred Shares. No share certificates for the Deferred Shares will be issued.

EMI options will be amended such that the options subsist over only Ordinary Shares of 10 pence each and not over Deferred Shares of 40 pence each. Since such amendments are envisaged in the option documents and the variation of share capital is not a disqualifying event under the EMI Code (as the value of the options is not affected and the Company remains a qualifying company for EMI purposes) all EMI Options should retain their tax benefits without needing to be re-granted. Unapproved options, including the exercise price, will be unaffected by the Share Reorganisation save that the Ordinary Shares to be issued on the exercise of such options will have a nominal value of 10 pence rather than 50 pence following the Share Reorganisation.

No new certificates for the Existing Ordinary Shares will be dispatched if the Share Reorganisation becomes effective.

A request will be made to the London Stock Exchange to reflect on AIM the sub-division of the Existing Ordinary Shares into Ordinary Shares of 10 pence each. Each Existing Ordinary Share standing to the credit of a CREST account will be sub-divided into one Ordinary Share of 10 pence each and one Deferred Share of 40 pence each at 6.00 p.m. on 21 June 2018.

Following the Share Reorganisation, the ISIN code for the Ordinary Shares will remain unchanged.

### **Taxation**

The sub-division of the Existing Ordinary Shares into Ordinary Shares of 10 pence nominal value each and Deferred Shares of 40 pence nominal value each as part of the Share Reorganisation should be treated as a reorganisation for the purposes of taxation of chargeable gains. Consequently Shareholders should not be treated as making a disposal of all or part of their Existing Ordinary Shares on acquiring their new holding. Instead, the Ordinary Shares and the Deferred Shares (taken as a single asset) should be treated as the same asset as the Existing Ordinary Shares, in addition to being treated as acquired at the same time, and for the same consideration as the Existing Ordinary Shares.

To calculate the gain or loss arising to Shareholders on subsequent disposal of their Ordinary Shares and Deferred Shares, it will be necessary to apportion the base cost of their Existing Ordinary Shares between their Ordinary Shares and Deferred Shares by reference to the shares' respective values on the first day on which the Ordinary Shares are listed. It is anticipated

that the Deferred Shares should have a nil market value on that date, and therefore the entire base cost of the Existing Ordinary Shares should be attributed to the Ordinary Shares.

The purchase by a custodian of all of the Deferred Shares for a nominal consideration will result in Shareholders making a disposal for tax purposes. Any such gain or loss arising on such disposal will be calculated by reference to the difference between (i) the proceeds received by the Shareholder and (ii) the part of the Shareholder's original base cost in their Existing Ordinary Shares which was apportioned to the Deferred Shares, as described above.

Since it is anticipated that the Deferred Shares will have nominal market value, it is anticipated that only nominal gains should arise on any disposal of Deferred Shares.

The above summary is intended as a general guide only to the application of current United Kingdom tax legislation and what is understood to be current HMRC practice (which may not be binding on HMRC), which may be subject to change. It does not constitute tax advice. It may not apply to certain classes of Shareholder. The comments relate only to Shareholders who are resident in the United Kingdom for tax purposes (except where otherwise stated) and who hold their Existing Ordinary Shares, Ordinary Shares and Deferred Shares beneficially as investments (and not as securities to be realised in the course of a trade). They do not apply to dealers in securities. **Any person who is in any doubt as to his tax position or who is subject to tax in a jurisdiction other than the United Kingdom is strongly recommended to consult his professional tax adviser immediately.**

## **5. Use of Proceeds**

The Company is raising funds for the Group's trade, including marketing, further research and development and working capital for its Translogik business.

## **6. Shareholder Approval**

For the Placing and the Share Reorganisation to proceed, Shareholder approval by way of the Special Resolution is required to:

- (a) effect the Share Reorganisation; and
- (b) give the Directors the authority to allot the Placing Shares and to dis-apply statutory pre-emption rights in respect thereof.

In order to obtain the necessary Shareholder approval, a General Meeting of the Company is to be held at which the Special Resolution will be proposed. Further information regarding the General Meeting is set out in paragraph 7 below.

**The Directors believe the Placing to be the most appropriate way to provide the capital necessary to meet the Company's future requirements. Should the Placing not proceed for any reason, the Company would need to find alternative funding else face future uncertainty. The Directors urge Shareholders to vote in favour of the Special Resolution set out in this notice.**

## **7. General Meeting**

A notice convening the General Meeting to be held at the offices of finnCap, 60 New Broad Street, London EC2M 1JJ at 2.00 p.m. on 21 June 2018 is set out at the end of this document.

## **8. Action to be taken by Shareholders**

A reply-paid Form of Proxy is enclosed for use at the General Meeting. Whether or not you intend to be present at the meeting you are requested to complete, sign and return this Form of Proxy to the Company's registrars, Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen B63 3DA as soon as possible but in any event so as to arrive not later than 2.00 p.m. on 19 June 2018. The completion and return of this Form of Proxy will not preclude you from attending the General Meeting and voting in person should you subsequently wish to do so.

## **9. Recommendation**

The Directors consider that the Placing will promote the success of the Company for the benefit of its members as a whole. Accordingly, the Directors unanimously recommend and strongly urge Shareholders to vote in favour of the Special Resolution at the General Meeting as they intend to do in respect of their own beneficial holdings of 192,785 Ordinary Shares representing approximately 2.02 per cent. of the Existing Ordinary Shares in issue as at the last practicable date before publication of this document.

Yours faithfully

**David Ford**  
*Chairman*

## NOTICE OF GENERAL MEETING

### Transense Technologies plc

NOTICE IS HEREBY GIVEN that a general meeting of the Company will be held at the offices of finnCap, 60 New Broad Street, London EC2M 1JJ at 2.00 p.m. on 21 June 2018 for the purpose of considering and, if thought fit, passing the following Special Resolution:

### SPECIAL RESOLUTION

#### THAT:

- A. the Ordinary Shares of 50 pence each in the capital of the Company be sub-divided at the Effective Time into 9,548,948 Ordinary Shares of 10 pence each and 9,548,948 Deferred Shares of 40 pence each, having the rights and being subject to the restrictions set out in the Company's Articles of Association, as proposed to be amended pursuant to limb (B) of this Special Resolution below;
- B. the Company's Articles of Association be amended with effect from the Effective Time by the deletion of the current Article 5 and the substitution therefor of a new Article 5 as follows:
- "5        Share capital**
- 5.1        The share capital of the Company consists of an unlimited number of Ordinary Shares of 10 pence each ("**Ordinary Shares**") and an unlimited number of Deferred Shares of 40 pence each ("**Deferred Shares**") having the rights and being subject to the restrictions set out in Article 5.2.
- 5.2        The rights of the Ordinary Shares and of the Deferred Shares and the limitations and restrictions to which each are subject are as follows:
- 5.2.1     subject to the rights of any other class of shares and to the provisions of statutes, the profits of the Company available for distribution and resolved to be distributed shall be paid as a dividend to the holders of the Ordinary Shares according to the number of shares held by each such holder;
- 5.2.2     on a return of capital (except on a purchase of shares), the assets of the Company available for distribution amongst the members shall be used to repay to the holders of the Ordinary Shares the amounts paid up on those shares. Subject to article 5.2.3, the assets remaining after such repayment shall belong to and be distributed amongst the holders of the Ordinary Shares in proportion to the number of such shares held by them respectively;
- 5.2.3     the Deferred Shares shall have:
- (a)        no right to receive notice of, or to attend or vote at, any general meeting of the Company; and
- (b)        no right to participate in the profits of the Company whether by way of dividend, distribution, return of capital (whether or not upon a winding-up) or otherwise, save that, upon a return of capital upon a winding-up, the holders of Deferred Shares shall be entitled to the return of the nominal value of each Deferred Share held after £10,000,000 has been returned on each Ordinary Share;
- 5.2.4     the Company shall (pursuant to the authority given by the passing of the Special Resolution to adopt this Article) have irrevocable authority at any time after the adoption of this Article to appoint any person to execute, on behalf of any of the holders of the Deferred Shares, a transfer of any such shares and/or an agreement to transfer any such shares to such person as the Company may determine as custodian of the same and/or to purchase the same (in accordance with the provisions of the statutes), in any such case for not more than 1 pence for all such shares and without obtaining the prior sanction of the holder(s) of such shares, and, pending such transfer and/or purchase, to retain the certificate(s) for such shares; and
- 5.2.5     the rights attached to the Deferred Shares shall not be deemed to be varied or abrogated by the creation or issue of any new shares ranking in priority to or *pari passu* with or subsequent to the Deferred Shares.";
- C. the directors of the Company be and they are hereby generally and unconditionally authorised (in addition to all subsisting authorities) pursuant to and in accordance with section 551 of the Act to allot up to 2,500,000 Placing Shares in connection with the Placing and, unless previously renewed, varied or revoked by the Company in general meeting, this power shall expire at the conclusion of the next annual general meeting of the Company to be held after the date of this notice or 15 months after the passing of this Special Resolution (whichever is earlier) except that the directors of the Company may, before the expiry of such period, make an offer or agreement which would or might require Placing Shares to be allotted after the expiry of such period and the directors of the

Company may allot Placing Shares in pursuance of such offer or agreement notwithstanding that the authority conferred by this Special Resolution has expired; and

- D. the directors of the Company be and they are hereby empowered (in addition to all subsisting authorities) in accordance with section 570 of the Act to allot equity securities (within the meaning of section 560 of the Act) pursuant to the authority conferred upon them by limb (C) of this Special Resolution for cash as if section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities as detailed in limb (C) of this Special Resolution.

(Words and expressions defined in the circular accompanying this notice shall, save where the context otherwise requires, bear the same meanings in the Special Resolution set out above.)

**BY ORDER OF THE BOARD**

**M Segal**  
*Secretary*

Dated: 31 May 2018

*Notes:*

1. A member entitled to attend and vote at the above meeting convened by the above Notice shall be entitled to appoint a proxy (or proxies) to attend, speak and vote in his place. Such proxy need not be a member of the Company,
2. A Form of Proxy is enclosed. The appointment of a proxy will not prevent a Shareholder from subsequently attending and voting at the meeting in person, in which case any votes cast by the proxy will be excluded. You may appoint more than one proxy provided that 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. To appoint more than one proxy, please contact the Company's Registrars (details below).
3. To be valid, the Form of Proxy (together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority) must be completed in accordance with the instructions set out on the form and deposited at or posted to the offices of the Company's Registrars, Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen B63 3DA, so as to be received no later than 2.00 p.m. on 19 June 2018. If you hold your shares in uncertificated form, you may use the CREST electronic proxy appointment service as described below. Completion and return of the Form of Proxy or appointment of a proxy through CREST will not preclude shareholders from attending or voting at the meeting in person.
4. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of any other joint holders. For these purposes, seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding.
5. In the case of a corporation, the Form of Proxy must be executed under its common seal or signed on its behalf by a duly authorised attorney or duly authorised officer of the corporation.
6. As provided in Regulation 41 of the Uncertificated Securities Regulations 2001, only those members registered in the register of members of the Company at 6.00 p. m. on 19 June 2018 (or in the case of an adjournment 48 hours before the adjourned meeting) shall be entitled to attend and vote at the meeting in respect of the number of Ordinary Shares registered in their name at that time. Changes to entries on the relevant register of securities after that time shall be disregarded in determining the rights of any person to attend or vote at the meeting.
7. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
8. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID 7RA11) by 2.00 p.m. on 19 June 2018. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
9. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
10. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
11. As at 30 May 2018 (being the last practicable date prior to publication of this Notice), the Company's issued ordinary share capital consists of 9,548,948 shares, carrying one vote each. The Company does not hold any Ordinary Shares in Treasury. Therefore, the total voting rights of the Company as at 30 May 2018 are 9,548,948.