The following amendment has been made to the ' Placings and Open Offer' announcement released on 30 April 2021 at 7.00 a.m. under RNS No 1510X.

The date underlined in the following sentence has been changed from “June 2022” to “2024” within the body of the announcement:

“Thereafter, once production of the next generation smoke alarm has commenced, a royalty fee per product will be payable to the Company as the manufacturing partner, with a multi-million volume fee agreed for the initial thirty months, with a minimum royalty fee commitment of €3.0 million (estimated to exceed £1.0 million by 2024).”

All other details remain unchanged.

The full amended text is shown below.

THE INFORMATION CONTAINED WITHIN THIS ANNOUNCEMENT IS DEEMED BY THE COMPANY TO CONSTITUTE INSIDE INFORMATION STIPULATED UNDER THE MARKET ABUSE REGULATION (EU) NO. 596/2014 ("MAR") AND THE RETAINED UK LAW VERSION OF MAR PURSUANT TO THE MARKET ABUSE (AMENDMENT) (EU EXIT) REGULATIONS 2019 (SI 2019/310) ("UK MAR"). UPON THE PUBLICATION OF THIS ANNOUNCEMENT VIA A REGULATORY INFORMATION SERVICE, THIS INSIDE INFORMATION IS NOW CONSIDERED TO BE IN THE PUBLIC DOMAIN.

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30 April 2021

FireAngel Safety Technology Group plc
(‘FireAngel’, the ‘Group’ or the ‘Company’)

Firm Placing of 16,093,279 New Ordinary Shares

and

Open Offer of up to 38,351,165 New Ordinary Shares

and

Conditional Placing of up to 38,351,165 New Ordinary Shares,

in each case at 18 pence per New Ordinary Share

FireAngel (AIM: FA.), a leading developer and supplier of home safety products, is pleased to announce that it is proposing to undertake an Open Offer to raise up to approximately £6.9 million, on the basis of 10 Open Offer Shares for every 33 Existing Ordinary Shares held on the Record Date, at an issue price of 18 pence per New Ordinary Share (the “Issue Price”).

In addition, the Company announces that it has conditionally raised:-

- approximately £2.9 million (before expenses) by means of the Firm Placing with certain existing Shareholders and new investors of 16,093,279 New Ordinary Shares at the Issue Price; and
- up to approximately £6.9 million (before expenses) by means of the Conditional Placing with certain existing Shareholders and new investors of 38,351,165 New Ordinary Shares at the Issue Price, subject to clawback under the Open Offer.

Highlights

- Open Offer to raise up to approximately £6.9 million on the basis of 10 Open Offer Shares for every 33 Existing Ordinary Shares held on the Record Date, at an issue price of 18 pence per New Ordinary Share
- In addition, the Company announces that it has conditionally raised:-
  - approximately £2.9 million (before expenses) by means of the Firm Placing with certain existing Shareholders and new investors of 16,093,279 New Ordinary Shares at the Issue Price
  - up to approximately £6.9 million (before expenses) by means of the Conditional Placing with certain existing Shareholders and new investors of 38,351,165 New Ordinary Shares at the Issue Price, subject to clawback under the Open Offer
- The net proceeds of the Fundraising will be used as follows:
  - to fund research and development to accelerate new products and to implement efficiency improvements and cost savings; and
  - to strengthen the Company’s balance sheet, including optimising the Company’s working capital, in respect of stock and payables and to fund part of the legacy battery returns issue.
- The Issue Price represents a discount of approximately 19.6 per cent. to the Closing Price of 22.4 pence on 29 April 2021, the Business Day prior to the date of this announcement.

The Firm Placing and the Conditional Placing are being arranged by Shore Capital Stockbrokers and N+1 Singer acting as joint bookrunners to the Company. N+1 Singer has been appointed joint broker to the Company with immediate effect.

The above Fundraising highlights and the summary announcement below should be read in conjunction with the full text of the announcement below.

A circular (and, in the case of Qualifying Non-CREST Shareholders, an Application Form) in connection with the Open Offer and containing details of the Fundraising, is expected to be posted to Shareholders later today (the "**Circular**"). Capitalised terms in this announcement are defined as set out at the end of this announcement. The Circular will be available on the Company's website, www.fireangeltech.com.

It should be noted that New Ordinary Shares will only be issued pursuant to the Conditional Placing if and to the extent that the Open Offer is not subscribed in full by holders of Existing Ordinary Shares and will result in a maximum of 54,444,444 New Ordinary Shares being issued pursuant to the Fundraising. Furthermore, the Open Offer is not conditional on completion of the Placing.

The Issue Price of 18 pence represents a discount of approximately 19.6 per cent. to the Closing Price on 29 April 2021, being the last Business Day prior to this announcement. The Fundraising is not being underwritten and is conditional on, *inter alia*, Admission becoming effective by no later than 8.00 a.m. on 20 May 2021 (or such other time and/or date, being no later than 4 June 2021, as the Company, Shore Capital & Corporate and the Joint Brokers may agree). It is expected that the New Ordinary Shares will be admitted to trading on AIM on or around 8.00 a.m. on 20 May 2021.

Application will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM. The New Ordinary Shares will rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid in respect of the Ordinary Shares following Admission.

John Conoley, Executive Chairman of FireAngel, commented: "FireAngel has a compelling proposition to protect and save lives with innovative, cutting-edge home safety technology. The funds we are raising will provide working capital for the next stage of our development, allowing us to execute our strategy, accelerate growth in sales and margin and ultimately enhance shareholder value. I would like to thank our existing shareholders for their support and welcome new investors to our business. The Company has made a good start to 2021 and I believe that there is real momentum in the business."

For further information, please contact:

FireAngel Safety Technology Group plc John Conoley, Executive Chairman Zoe Fox, Chief Financial Officer	024 7771 7700
Shore Capital (Nominated adviser and joint broker) Tom Griffiths/David Coaten	020 7408 4050
N+1 Singer (Joint broker) Rick Thompson/Alex Bond	020 7496 3000
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Notes to Editors

About FireAngel Safety Technology Group plc

FireAngel's mission is to protect and save lives by making innovative, leading-edge home safety products which are simple and accessible. FireAngel is one of the market leaders in the European home safety products market.

FireAngel's principal products are connected smoke alarms, CO alarms, heat alarms and accessories. The Company has an extensive portfolio of patented intellectual property in Europe, the US and other selected territories. Products are sold under FireAngel's leading brands of FireAngel, FireAngel Pro, FireAngel Specification and AngelEye.

For further product information, please visit: www.fireangeltech.com

IMPORTANT INFORMATION

Shore Capital and Corporate Limited ("Shore Capital & Corporate"), which is authorised and regulated in the UK by the FCA, is acting as nominated adviser to the Company in connection with the matters described in this announcement and is not acting for any other persons in relation to the Fundraising and Admission. Shore Capital & Corporate is acting exclusively for the Company and for no one else in relation to the contents of this announcement and persons receiving this announcement should note that Shore Capital & Corporate will not be responsible to anyone other than the Company for providing the protections afforded to clients of Shore Capital & Corporate or for advising any other person on the arrangements described in this announcement. The responsibilities of Shore Capital & Corporate as the Company's nominated adviser under the AIM Rules for Companies and the AIM Rules for Nominated Advisers are owed solely to the London Stock Exchange and are not owed to the Company or to any Director, Shareholder or other person in respect of his decision to acquire shares in the capital of the Company in reliance on any part of this announcement and/or the Application Form, or otherwise.

Shore Capital Stockbrokers Limited ("**Shore Capital Stockbrokers**" and together with Shore Capital & Corporate, "**Shore Capital**") and Nplus1 Singer Capital Markets Limited (together with its affiliated entities) ("**N+1 Singer**" and, together with Shore Capital Stockbrokers, the "**Joint Brokers**"), which are authorised and regulated in the UK by the FCA, are acting as joint brokers to the Company in connection with the matters described in this announcement and are not acting for any other persons in relation to the Fundraising and Admission. The Joint Brokers are acting exclusively for the Company and for no one else in relation to the contents of this announcement and persons receiving this announcement should note that the Joint Brokers will not be responsible to anyone other than the Company for providing the protections afforded to their clients or for advising any other person on the arrangements described in this announcement. The responsibilities of each of the Joint Brokers as the Company's brokers under the AIM Rules are owed solely to the London Stock Exchange and are not owed to the Company or to any Director, Shareholder or other person in respect of their decision to acquire shares in the capital of the Company in reliance on any part of this announcement and/or the Application Form, or otherwise.

This announcement contains (or may contain) certain forward-looking statements with respect to certain of the Company's current expectations and projections about future events. These statements, which sometimes use words such as "anticipate", "believe", "intend", "estimate", "expect" and words of similar meaning, reflect the Directors' beliefs and expectations and involve a number of risks, uncertainties and assumptions that could cause actual results and performance to differ materially from any expected future results or performance expressed or implied by any such forward-looking statement. Statements contained in this announcement regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. The information contained in this announcement is subject to change without notice and neither Shore Capital, N+1 Singer nor, except as required by applicable law, the Company assumes any responsibility or obligation to update publicly or review any of the forward-looking statements contained herein. You should not place undue reliance on forward-looking statements, which speak only as of the date of this announcement.

Information to Distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("MiFID II"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "MiFID II Product Governance Requirements"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the New Ordinary Shares have been subject to a product approval process, which has determined that the New Ordinary Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "Target Market Assessment").

Notwithstanding the Target Market Assessment, Distributors should note that: the price of the New Ordinary Shares may decline and investors could lose all or part of their investment; the New Ordinary Shares offer no guaranteed income and no capital protection; and an investment in the New Ordinary Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Fundraising. Furthermore, it is noted that, notwithstanding the Target Market Assessment, Shore Capital will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to New Ordinary Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the New Ordinary Shares and determining appropriate distribution channels.

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1. Introduction

The Company announces that it is proposing to undertake an Open Offer to raise up to approximately £6.9 million, on the basis of 10 Open Offer Shares for every 33 Existing Ordinary Shares held on the Record Date, at an issue price of 18 pence per New Ordinary Share.

In addition, the Company announces that it has conditionally raised:

- approximately £2.9 million (before expenses) by means of the Firm Placing with certain existing Shareholders and new investors of 16,093,279 New Ordinary Shares at the Issue Price; and

- up to approximately £6.9 million (before expenses) by means of the Conditional Placing with certain existing Shareholders and new investors of 38,351,165 New Ordinary Shares at the Issue Price, subject to clawback under the Open Offer.

It should be noted that New Ordinary Shares will only be issued pursuant to the Conditional Placing if and to the extent that the Open Offer is not subscribed in full by holders of Existing Ordinary Shares and will result in up to 54,444,444 New Ordinary Shares being issued pursuant to the Fundraising. The Open Offer is not conditional on completion of the Firm Placing or Conditional Placing. The Firm Placing and Conditional Placing are conditional, *inter alia*, on the Placing Agreement between the Company, Shore Capital & Corporate and the Joint Brokers becoming unconditional and not being terminated (in accordance with its terms).

The Firm Placing of the Firm Placing Shares and the Conditional Placing of the Conditional Placing Shares has been arranged by Shore Capital Stockbrokers and N+1 Singer acting as joint brokers to the Company.

The Issue Price of 18 pence represents a discount of approximately 19.6 per cent. to the Closing Price on 29 April 2021, being the latest practicable date prior to the date of this announcement. The Fundraising is conditional on, *inter alia*, Admission becoming effective by no later than 8.00 a.m. on 20 May 2021 (or such other time and/or date as the Company, Shore Capital & Corporate and the Joint Brokers may agree). It is expected that the New Ordinary Shares will be admitted to trading on AIM on or around 8.00 a.m. on 20 May 2021.

It is proposed that the Net Proceeds will be used, in part, to fund research and development to accelerate new products, implement efficiencies, improvements and cost savings, strengthen the Company's balance sheet, including optimising the Company's working capital position in respect of stock and payables, and fund part of the legacy battery warranty returns. Further details of the intended use of the Net Proceeds can be found in paragraph 6 below.

2. Background to, and reasons for, the Fundraising

The Group entered 2020 with positive momentum in its strategic priorities, including strong growth (having now sold in excess of 70 million alarms since its incorporation), an increasing higher-value pipeline and initial progression on gross margin performance.

Undoubtedly, the onset of the Covid-19 pandemic and resultant Government restrictions significantly disrupted this journey, as it has for so many companies and, of course, for so many individuals. Nevertheless, it was encouraging to see a recovery in performance in the second half of the last financial year. For instance, with approximately 61 per cent. of 2020 UK Trade sales were recorded in the second half of the year, and the operational progress made provides a strong platform for further improvement in 2021.

The Group achieved its budget for revenue and gross margin in Q1 2021, despite continued lockdown restrictions, particularly in those EU countries in which the Group operates and Scotland. In particular, after reopening in late 2020, UK Trade and Retail accelerated and generated record sales in Q1 2021, which were 30 per cent. higher than in the corresponding period in 2020. The UK Government's roadmap out of lockdown gives the Board clarity and confidence in its plans for the year ahead and beyond. The Directors believe that the growth in the Group's sales of Connected Homes technology is forecast to continue. This increasing momentum in Connected Homes technology in Q1 2021 is further evidenced by:

- growing sales volumes;
- the partnership signed by the Company in April 2021 with a German energy efficiency service provider, further details of which are set out below; and
- an initial order of £1.0 million to rollout "Internet of Things" alarm technology for the London Borough of Ealing.

The Board's overriding priority is to return the Group to profitability and for it to become cash generative. The Board considers that this can be achieved through a combination of enacting a gross margin improvement plan, together with the rollout into the market of its Connected Homes technology and of newer generations of alarm, whilst maintaining the Group's leading position in the retail markets it serves and in its growing Trade business in the UK and Europe.

In March 2021, the Group refinanced its existing Coronavirus Large Business Interruption Loan Scheme ("**CLBILS**"). As the Group's revenue dropped below £45.0 million, the CLBILS (which had been reduced to £2.0 million at the end of March 2021) has been refinanced under the Coronavirus Business Interruption Loan Scheme ("**CBILS**") with HSBC UK. The new loan of, in aggregate, £3.7 million (the "**New Loan**") comprises a CBILS loan of £3.2 million and an additional Receivables Finance CBILS of £0.5 million. The New Loan, which will be used to pay off the balance of the CLBILS, has a term of six years with the first year being free of interest and capital repayments, and an interest rate thereafter of 3.99 per cent. over the Bank of England's base rate.

The Company also announces today its audited final results for the year ended 31 December 2020, further details of which are set out below. The revenue outturn was £39.9 million, which was 12 per cent. lower than in the prior year (2019: £45.5 million). Whilst the Board was satisfied with the revenue performance given the challenging market backdrop, its plans to improve margin during 2020 were undermined by Covid-19 and the UK Government restrictions. Many of the newer or growing revenue streams in UK Trade and from social housing that the Group aimed to pursue during 2020 became temporarily unfeasible during the various UK lockdowns as a result of the impact of UK Government restrictions, with customers and business partners unsurprisingly focused on their own important priorities due to Covid-19.

However, the improvements that were made last year are not lost, and the Directors believe that the market opportunity, in particular with the Group's Connected Homes technology, is undiminished and indeed strengthened by the growing regulatory tailwinds with awareness being raised by the Grenfell enquiry which has led to more enquiries being received by the Group. The Group's task now is to regain momentum and deliver its Connected Homes strategy, targeting new types of business while continuing to improve margin. The Board sees a clear path to strong sales and margin growth in the short and medium term.

Margin improvement

As referred to above, the overriding planned output of the Group's activity in each of 2021, 2022 and 2023 is to improve the gross margin significantly year-on-year. The Directors believe that the Group will do this by leveraging its differentiation, which includes its Connected Homes technology, further details of which are set out below. The three key strands to achieve this are:

- moving to higher value activities;
- better quality sales of connected propositions; and
- improving the Group's value chain.

These strands are already producing financial benefits, and the Directors believe that there remains significant opportunity in all three areas. The Company spent much of otherwise lost time in the various lockdowns in 2020 refining and delivering its plans against this priority, and expects to see a £0.1 million impact to gross profit in 2021 and transformational gross margin enhancement from 2022 onwards, with a total estimated £3.0 million impact on gross profit.

1. *Moving to higher value activities*

This is closely allied with improving the Group's value chain, details of which are set out below. As part of this focus, the Board has reviewed the economic potential of the Group's stock-keeping units ("**SKUs**") and considers that some of the Group's lower value alarms are uneconomic and divert development, maintenance and people costs into an area where it cannot command sufficient gross margin. This has led the Board to resolve to reduce the Group's SKUs by a third over the year to Q1 2021. Most of that reduction is in those SKUs which generate little sales volume, but add complexity to the business and supply chain. Furthermore, the Directors believe that several additional low-end SKUs can be made economic by partnering with an existing high-quality technology partner of the Group with relevant technology and adding the Group's brand and external design. The Directors consider that this will generate much better margin on a subset of the Group's product range while maintaining range coverage, without the continual overhead of the Group having to design from scratch and subsequent maintenance. The full-year benefit of this new approach to low-end SKUs is expected to be over £1.0 million of gross profit in 2022, depending on exchange rate.

Looking further ahead, the Group's design philosophy has changed. A redesign of the Group's higher value product lines will enable the use of automation in the production line which, the Board believes, will in turn improve yields and quality, and allow the refresh of components. Given the Group's historic investment in research, the Directors believe that this is much more of a design exercise and opens the door to flexibility in the factory environment—as well as flexibility of the factory location itself—and, crucially, a further significant opportunity for margin improvement in 2023 onwards.

As a result, the Group can then focus its direct costs on its differentiated and Connected Homes technology, which is higher value, has higher margin potential and crucially is fundamental to its longer term Connected Homes strategy. The Directors see the Connected Homes technology as a significant value growth opportunity, in part because there is a growing demand for the highest level of protection and maintenance, which the Directors believe can best be delivered through connected technology.

Furthermore, by the end of 2021, higher value products remaining in higher cost economies will benefit from better manufacturing focus, opening the door to technology and commercial partnerships. This will also offer a longer-term efficiency of research and development investment, as the Group is able to focus in-house only on activities with higher economic value, such as Connected Homes, "Internet of Things", software and firmware. The Group employs a sales model more closely aligned with IT hardware and software sales, rather than a retail sales model.

An example of the Group's emphasis on focusing more on higher value activities was the signing in April 2021 of an exclusive long term partnership agreement with a German energy efficiency service provider of approximately 12 million apartments worldwide (the "**Partner**"), which was enabled by a greater emphasis by the Group on formal internal processes. Under this partnership, the Group will provide a fully funded research and development programme for what the Directors expect to be a next generation 10-year smoke alarm. Pursuant to the terms of the agreement, the Partner will fund the development phase of the next generation smoke alarm. In addition, the Company will receive a fee of £1.4 million for the use of its background IP during the development phase. Thereafter, once production of the next generation smoke alarm has commenced, a royalty fee per product will be payable to the Company as the manufacturing partner, with a multi-million volume fee agreed for the initial thirty months, with a minimum royalty fee commitment of €3.0 million (estimated to exceed £1.0 million by 2024). Manufacturing of the next generation smoke alarm is expected to commence in early 2024. The Partner has provided an initial forecast of seven million new devices to be produced. On this basis, the Directors believe that the Company should earn up to €21.0 million in royalty and manufacturing partner fees during the life of the partnership, with an estimated impact to gross profit in 2021 of £0.6 million.

2. *Better quality sales of connected propositions*

Commercialising the Group's significant investment in its Connected Homes technology means selling more connected alarms, while learning what part data generation could play in adding a new layer to the Group's future activities and revenue streams. The Company saw greater traction in its online sales over the course of 2020, a shift that the Directors expect to be permanent, as buying habits and legislation continue to evolve. The Directors believe that the online retail environment is a medium that suits the Group's domestic connected products well and the trend seen in 2020 has continued in Q1 2021.

Furthermore, commercialising also means re-establishing the momentum the Company had achieved in the form of trials and potential sales of large opportunities, particularly in social housing, which was unavoidably lost in 2020 following the onset of Covid-19. In the early months of 2021, the Company is already gaining traction and has seen increased sales of its interconnected alarms. The Board believes that the Company's technology will help make people and properties safer by alerting people to fire and CO incidents faster.

Moreover, there is an extra level to the Group's Predict™ product which enables the gathering of data from those alarms and the ability to manage fire risks through a dashboard. This dashboard can present unique behavioural data received from interconnected alarms (including both FireAngel Gateway devices and third-party devices) to the customer, allowing them to manage risks or risky behaviour related to fire safety. The Group's consumer app, the FireAngel Connected App, saw approximately 770 per cent. growth in active users over the 10 months between June 2020 and March 2021. Sensor data can provide a fuller picture of environmental factors which affect users' quality of life or behaviour.

A highlight of the Group's performance in 2020 was the receipt of a purchase order on behalf of Ealing Borough Council, the first phase of which will generate approximately £1.0 million of revenue for the Group. While rollout under the contract was inevitably delayed significantly due to the winter lockdown, it has now begun and the first block of flats is live. A further 21 blocks of flats have been surveyed with a bulk "call-off" purchase order now planned for 400 properties per month from June 2021.

3. *Improving the Group's value chain*

While the Group's planned value chain improvements are primarily small-scale, numerous operational initiatives intended to make it more efficient are already underway. By way of example, 2021 will see the Group switch from polyethylene terephthalate (PET) packaging to lower cost cardboard packaging (with an estimated £0.49 million gross profit impact for the year ending 31 December 2021). In 2020, the Group centralised three disparate UK warehouses into one location. Further, in Q2 2021, the Group plans to complete a transition to automated sales order processing, support and other internal administration. Together, the Board considers that these many small projects will enable the Group to provide a smoother, more joined-up, end-to-end, process, from concept to production to service. The Board expects these operational improvements to save approximately £1.0 million in gross profit per year from 2021.

In the medium term, the Group is redesigning and repackaging its mainstream ranges to enable a longer component lifecycle and manufacture by designing for modular products to be assembled in a predominantly automated environment, insulating against labour cost increases and also lead to some range repositioning benefits. This modular product platform is expected to lower the bill of materials (BoM) cost and result in fewer components, less handling and improved quality. This project will focus on development and modernisation, building on the Group's existing IP and research, yet taking opportunities to add new components or functionality as required. In addition, implementation of modern Product Lifecycle management techniques will enable the Group to control this process far more effectively than it has done historically.

Summary of expected Gross Margin improvement journey

As set out in sub-paragraph 2 above, increasing the sales of higher margin products is critical to the achievement of the Group's gross margin improvement programme. The Group achieved gross margin of 19 per cent. in the year ended 31 December 2019 and approximately 20 per cent. in the year ended 31 December 2020, and is targeting gross margin of up to 25 per cent. in 2021, up to 29 per cent. in 2022, up to 33 per cent in 2023 and up to 35 per cent in 2024.

The transition from the Group's so called 'old world' products and practices to the 'new world' higher margin product ranges has begun and is well advanced. By way of example, the Directors believe that typical purchases in the 'old world' comprise either (i) traditional DIY retail of one to two stand alone alarms with a typical transaction value of £10 to £20 at a low double digit gross margin (around 10 per cent); or (ii) traditional Trade of two to four stand alone alarms with a typical transaction value of £40 to £50 at a higher double digit gross margin (around 35 per cent).

The Directors believe that typical purchases in the 'new world' comprise: (i) online retail of four connected alarms plus an app with a typical transaction value of £110; (ii) inter-connected Trade of four to seven interconnected alarms with a typical transaction value of £150; and (iii) connected social housing, including Predict™, along the lines of the London Borough of Ealing rollout referred to above, of six alarms, a gateway and a subscription thereby generating recurring revenue for the Group, with a typical transaction value of £200 to £300 per property. New world revenue is expected to be more than half of total revenue from 2022. With an average maintenance cost of £12 per social housing property per year, there is a potential for recurring revenue of £48 million per annum.

Continued progress against challenges

While the Directors are aware that there are ongoing challenges facing the Company, they believe that despite the lockdowns the Company made progress last year and is continuing to make progress. While the Company is expecting to deploy its available cash this financial year, the Directors believe that the Company should generate free cash flow in the year ending 31 December 2022. As set out in its audited final results for the year ended 31 December 2020, which are announced separately today, the Company has made an increase to the warranty provision of £1.5 million to provide for the battery impedance issue which first came to light in April 2016. The Directors consider that this issue is past its peak, with the overall provision reduced to £2.7 million in 2020 (2019: £3.5 million).

As is the case with many other similar companies, the Group has in the past year or so had issues with its supply chain and the availability of components continues to be an issue facing the Group. The Directors believe that there remains an opportunity to optimise the Group's supply chain which is related to its aim to improve its value chain referred to above. In addition, while the market for Connected Homes technology remains immature, and therefore may develop more slowly than the Directors anticipate, the Group is seeing an increased level of enquiries which the Directors believe is driven following the recent re-commencement of the Grenfell enquiry, as well as by further legislation for building safety. While execution risk remains a challenge for the Group, this is mitigated as significant processes have recently been changed and key new hires have been made during 2020.

The Directors believe that the Fundraising will accelerate the Group’s growth in sales and margin and enhance shareholder value.

3. Audited final results for the year ended 31 December 2020

The Company has announced separately today its audited final results for the year ended 31 December 2020. The Group’s revenue was £39.9 million (2019: £45.5 million).

2020 was dominated by the impact of COVID-19 lockdown restrictions. Despite a strong start to the year, which augured well for full-year performance, revenue and the Group’s profit recovery programme were materially and directly impacted by UK and international measures to control the spread of Covid-19.

Total revenue for the year decreased by 12% from £45.5 million for the year ended 31 December 2019 to £39.9 million, resulting in an underlying LBITDA of £1.2 million compared with underlying EBITDA of £0.2 million for the year ended 31 December 2019. The adjusted gross profit was £7.9 million (2019: £8.7 million), which represented an adjusted gross margin of 19.8% (2019: 19.0%). The underlying operating loss was £5.4 million compared to a loss of £3.8 million in 2019. The underlying loss before tax was £5.7 million (2019: £4.1 million).

Whilst the Board was satisfied with the revenue performance given the challenging market backdrop, its plans to improve margin during 2020 were undermined. The benefits from a range of planned internal improvements came through much more slowly than anticipated, with less impact than planned and this was further compounded by reduced sales volumes. Many of the newer or growing revenue streams from trade and social housing that the Company aimed to pursue became temporarily unfeasible during lockdown as a result of the impact of restrictions, with customers and business partners focused on their own important priorities due to Covid-19.

4. Current trading and outlook

As outlined above, the Company enjoyed a strong end to 2020, and this momentum has continued into 2021. The Company returned to growth in the first quarter of 2021, and although obvious uncertainties have still tempered the overall performance, UK Trade and Retail sales are up 30 per cent against comparable sales in Q1 2020.

The Group is delighted to have begun the rollout of its Connected Homes alarms with Ealing Borough Council. The contract includes generating safety data from alarms installed in properties to allow analysis and risk management for the first time, demonstrating the benefits and potential of FireAngel PredictTM.

The recently announced contract with a major European energy efficiency service provider is further vindication of the hard work of the past year and more. The Board believes that this opportunity will help the Group work towards higher value activities.

There is now a clearer path out of the Covid-19 related restrictions, and while some uncertainty remains, the Board is targeting improved performance and sales growth in 2021 versus 2019 (being the last full year prior to the impact of Covid-19). The Group's compelling proposition to protect and save lives with innovative, cutting-edge home safety technology remains intact. The Group's strategic ambition to achieve this through margin improvement and a focus on investing in Connected Homes technology remains unaltered, supported further by legislative tailwinds.

5. Information on the Fundraising

The Company announces that it is proposing to undertake an Open Offer to raise approximately £6.9 million on the basis of 10 Open Offer Shares for every 33 Existing Ordinary Shares held on the Record Date, at the Issue Price. In addition, the Company announces that it has conditionally raised approximately:

- £2.9 million (before expenses) by way of the Firm Placing with certain existing Shareholders and new investors of 16,093,279 New Ordinary Shares at the Issue Price; and
- £6.9 million (before expenses) by means of the Conditional Placing with certain existing Shareholders and new investors of up to 38,351,165 New Ordinary Shares at the Issue Price, subject to clawback under the Open Offer.

The New Ordinary Shares will represent, in aggregate, up to 30.1 per cent. of the Enlarged Share Capital, at the Issue Price.

The Issue Price of 18 pence per New Ordinary Share represents a discount of approximately 19.6 per cent. to the Closing Price of 22.4 pence on 29 April 2021, being the latest practicable date prior to the date of this announcement.

The Fundraising is not being underwritten and is conditional, *inter alia*, on Admission becoming effective by no later than 8.00 a.m. on 20 May 2021 (or such later time and/or date, being not later than 4 June 2021, as the Company, Shore Capital & Corporate and the Joint Brokers may agree).

Accordingly, if any of such conditions are not satisfied, or, if applicable, waived, the Fundraising will not proceed and any Open Offer Entitlements and Excess Open Offer Entitlements admitted to CREST as part of the Open Offer will thereafter be disabled.

Application will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM. The New Ordinary Shares will rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid in respect of the Ordinary Shares following Admission. It is expected that such Admission will become effective and that dealings on AIM will commence at 8.00 a.m. on 20 May 2021.

6. Use of net proceeds

The net proceeds of the Fundraising are expected to be approximately £9.0 million. It is proposed that such proceeds will be used to:

- fund research and development to accelerate new products;
- implement efficiencies, improvements and cost-saving;
- strengthen the Company’s balance sheet, including optimising the Company’s working capital position in respect of stock and payables;
- fund part of the legacy battery warranty returns.

7. Related Party Transactions

Client funds of Downing LLP (together, "**Downing LLP**") have agreed to subscribe for 10,856,666 Placing Shares. As at the date of this announcement, so far as the Company is aware, Downing LLP holds 23,645,248 Existing Ordinary Shares representing approximately 18.68 per cent. of the Existing Ordinary Shares. As such, Downing LLP is a substantial shareholder of the Company and its participation in the Placing is a related party transaction pursuant to AIM Rule 13 of the AIM Rules. The Directors consider, having consulted with the Company's nominated adviser, Shore Capital & Corporate, that the terms of Downing LLP's participation in the Placing are fair and reasonable insofar as the Shareholders are concerned.

Discretionary clients of Canaccord Genuity Group Inc. ("**Canaccord Genuity**") have agreed to subscribe for 7,222,222 Placing Shares. As at the date of this announcement, so far as the Company is aware, Canaccord Genuity holds 14,700,000 Existing Ordinary Shares representing approximately 10.3 per cent. of the Existing Ordinary Shares. As such, Canaccord Genuity is a substantial shareholder of the Company and its participation in the Placing is a related party transaction pursuant to AIM Rule 13 of the AIM Rules. The Directors consider, having consulted with the Company's nominated adviser, Shore Capital & Corporate, that the terms of Canaccord Genuity's participation in the Placing are fair and reasonable insofar as the Shareholders are concerned.

BGF Investment Management Limited ("**BGF**") has agreed to subscribe for 6,388,889 Placing Shares. As at the date of this announcement, so far as the Company is aware, BGF holds 14,638,098 Existing Ordinary Shares representing approximately 11.6 per cent. of the Existing Ordinary Shares. As such, BGF is a substantial shareholder of the Company and its participation in the Placing is a related party transaction pursuant to AIM Rule 13 of the AIM Rules. The Directors consider, having consulted with the Company's nominated adviser, Shore Capital & Corporate, that the terms of BGF's participation in the Placing are fair and reasonable insofar as the Shareholders are concerned.

Each of Zoe Fox (Chief Financial Officer), Jon Kempster (Non-Executive Director), Glenn Collinson (Non-Executive Director) and Graham Whitworth (Non-Executive Director) and his wife have each agreed to subscribe for 55,556, 55,556, 111,111 and 166,649 Placing Shares respectively in the Placing.

In addition, John Conoley and his wife intend to subscribe for their Open Offer Entitlement being, in aggregate, 128,590 Open Offer Shares, representing approximately 0.34 of the Open Offer Shares.

8. Details of the Open Offer, the Conditional Placing and the Firm Placing

The Company proposes to raise up to £6.9 million by way of the Open Offer to its Qualifying Shareholders. In addition, the Company announces that it has conditionally raised:

- approximately £2.9 million (before expenses) by means of the Firm Placing with certain existing Shareholders and new investors of 16,093,279 New Ordinary Shares at the Issue Price; and
- up to approximately £6.9 million (before expenses) by means of the Conditional Placing with certain existing Shareholders and new investors of 38,351,165 New Ordinary Shares at the Issue Price, subject to clawback under the Open Offer.

The New Ordinary Shares will represent approximately 30.1 per cent. of the Enlarged Share Capital immediately following Admission. The Issue Price represents a discount of approximately 19.6 per cent. to the Closing Price on the Latest Practicable Date.

Principal Terms of the Open Offer

Qualifying Shareholders (other than, subject to certain exemptions, those Shareholders in Restricted Jurisdictions) have the opportunity under the Open Offer to apply for Open Offer Shares at the Issue Price, payable in full on application and free of expenses, *pro rata* to their existing shareholdings, on the following basis:

10 Open Offer Shares for every 33 Existing Ordinary Shares

held by them and registered in their names on the Record Date, rounded down to the nearest whole number of Open Offer Shares.

Qualifying Shareholders (other than, subject to certain exemptions, those Shareholders with a registered address in or who are located in and/or resident or are citizens of, in each case, a Restricted Jurisdiction) may apply for any whole number of Open Offer Shares up to their Open Offer Entitlement.

Qualifying Shareholders are also being given the opportunity to apply for additional Open Offer Shares at the Issue Price through the Excess Application Facility. The total maximum number of Open Offer Shares is fixed and will not be increased in response to applications under the Excess Application Facility. Such applications will therefore only be satisfied to the extent that Qualifying Shareholders do not take up their Open Offer Entitlements in full. All applications under the Excess Application Facility will be subject to the Excess Application Cap, which has been set at a level where it is possible for a Qualifying Shareholder to maintain (but not exceed) its percentage shareholding in the Company as at the date of the Circular in circumstances where other Qualifying Shareholders have not subscribed for their Open Offer Entitlements in full. If there is an over-subscription resulting from excess applications, allocations of Excess Shares will be determined by the Excess Allocation Method. Further details regarding the Excess Allocation Method will be set out in paragraph 2 of Part 3 of the Circular. No assurance can be given that applications by Qualifying Shareholders under the Excess Application Facility will be met in full, in part or at all.

The Open Offer is not a rights issue.

Qualifying CREST Shareholders should note that although the Open Offer Entitlements and Excess Open Offer Entitlements will be admitted to CREST and be enabled for settlement, they will not be tradable and applications in respect of the Open Offer Entitlements and Excess Open Offer Entitlements may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim raised by Euroclear's Claims Processing Unit. Qualifying Non-CREST Shareholders should note that the Application Form is not a negotiable document and cannot be traded. Qualifying Shareholders who do not apply to take up their Open Offer Entitlements or Excess Open Offer Entitlements will have no rights under the Open Offer or receive any proceeds from it. New Ordinary Shares not taken up by Qualifying Shareholders under the Open Offer will be allocated to Qualifying Shareholders who apply under the Excess Application Facility (in accordance with the Excess Allocation Method) with the proceeds ultimately accruing for the benefit of the Company. Qualifying Shareholders should be aware that under the Open Offer, unlike in a rights issue, any Open Offer Shares not applied for will not be sold in the market or placed for the benefit of Qualifying Shareholders.

The Excess Application Facility will enable Qualifying Shareholders, provided that they take up their Open Offer Entitlement in full, to apply for an Excess Open Offer Entitlement. Qualifying Non-CREST Shareholders who wish to apply to acquire more than their Open Offer Entitlement should complete the relevant sections on the Application Form. Qualifying CREST Shareholders will have Excess Open Offer Entitlements credited to their stock account in CREST and should refer to paragraph 2 of Part 3 of the Circular for information on how to apply for Excess Open Offer Entitlement pursuant to the Excess Application Facility.

Applications for Excess Open Offer Entitlements will be satisfied only and to the extent that corresponding applications by other Qualifying Shareholders are not made or are made for less than their Open Offer Entitlements. Once subscriptions by Qualifying Shareholders under their respective Open Offer Entitlements have been satisfied, allocations of Excess Shares will be determined by the Excess Allocation Method. Further details regarding the Excess Allocation Method will be set out in paragraph 2 of Part 3 of the Circular. All applications under the Excess Application Facility will be subject to the Excess Application Cap, which has been set at a level where it is possible for a Qualifying Shareholder to maintain (but not exceed) its percentage shareholding in the Company as at the date of the Circular in circumstances where other Qualifying Shareholders have not subscribed for their Open Offer Entitlements in full. No assurance can be given that applications by Qualifying Shareholders under the Excess Application Facility will be met in full, in part or at all.

Application will be made for the Open Offer Entitlements and Excess Open Offer Entitlements in respect of Qualifying CREST Shareholders to be admitted to CREST. It is expected that such Open Offer Entitlements and Excess Open Offer Entitlements will be admitted to CREST on 4 May 2021. Applications through the means of the CREST system may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim.

Qualifying Non-CREST Shareholders will receive an Application Form with the Circular which will set out their entitlement to Open Offer Shares as shown by the number of Open Offer Entitlements allocated to them.

Qualifying CREST Shareholders will receive a credit to their appropriate stock accounts in CREST in respect of their Open Offer Entitlements and Excess Open Offer Entitlements by 4 May 2021. Qualifying CREST Shareholders should note that although the Open Offer Entitlements and Excess Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of entitlements under the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim. If applications are made for less than all of the Open Offer Shares available, then the lower number of Open Offer Shares will be issued and any outstanding Open Offer Entitlements will immediately lapse.

Further details of the Open Offer and the terms and conditions on which it is being made, including the procedure for application and payment, will be contained in Part 3 of the Circular and, for Non-CREST Qualifying Shareholders, on the accompanying Application Form. To be valid, Application Forms or CREST instructions (duly completed) and payment in full for the Open Offer Shares applied for must be received by the Receiving Agent by the date to be specified in the Circular (expected to be by no later than 11.00 a.m. on 19 May 20210. Application Forms should be returned to Neville Registrars Limited, Neville House, Steelpark Road, Halesowen B62 8HD by such time.

If Admission does not occur on or before 8.00 a.m. on 20 May 2021 (or such later time and date as the Company, Shore Capital & Corporate and the Joint Brokers may agree, being not later than 4 June 2021), the Open Offer will not become unconditional and application monies will be returned to applicants, without interest, as soon as practicable thereafter.

Principal Terms of the Conditional Placing

The Company is proposing to issue up to 38,351,165 Placing Shares pursuant to the Placing Agreement. In accordance with the terms of the Placing Agreement, the Joint Brokers have, as agents for the Company, placed with certain existing and new institutional investors the Placing Shares at the Issue Price which are subject to clawback under the terms of the Open Offer.

Principal Terms of the Firm Placing

The Company is proposing to issue 16,093,279 Firm Placing Shares pursuant to the Placing Agreement. In accordance with the terms of the Placing Agreement, the Joint Brokers have, as agents for the Company, placed with certain existing and new institutional investors the Firm Placing Shares at the Issue Price. The Firm Placing Shares are not subject to clawback and are not part of the Open Offer or the Conditional Placing.

The Company and Shore Capital Stockbrokers have agreed to subscribe for ordinary shares in JerseyCo, a company incorporated in Jersey. Monies received from institutional investors subscribing for the Firm Placing Cashbox Shares under the Placing Agreement will be paid to an account with the JerseyCo Subscriber. The JerseyCo Subscriber (acting as principal) will apply the monies in such account to subscribe for redeemable preference shares in JerseyCo.

The Company will allot and issue the Firm Placing Cashbox Shares to those persons entitled thereto in consideration for the JerseyCo Subscriber transferring its holdings of ordinary shares and redeemable preference shares in JerseyCo to the Company. Accordingly, instead of receiving cash consideration for the issue of the Firm Placing Cashbox Shares, following completion of the Placing, the Company will own the entire issued share capital of JerseyCo, whose only asset will be the cash reserves representing an amount approximately equal to the net proceeds of the issue of the Firm Placing Cashbox Shares receivable under the Placing Agreement. The Company should be able to access those funds by redeeming the redeemable preference shares it holds in JerseyCo, or, alternatively, during any interim period prior to redemption, by procuring that JerseyCo lends the amount to the Company. The ability to realise distributable reserves in the Company will facilitate any potential distribution to Shareholders made by the Company in the future.

9. Overseas Shareholders

The attention of Qualifying Shareholders who have a registered address outside the United Kingdom, or who are located and/or resident in or are citizens of, in each case, a country other than the United Kingdom, or who are holding Existing Ordinary Shares for the benefit of such persons (including, without limitation, custodians, nominees, trustees and agents) or who have a contractual or other legal obligation to forward this announcement, the Circular or the Application Form to such persons, is drawn to the information which will be set out in paragraphs 6 and/or 7 of Part 3 of the Circular.

Persons who have a registered address in or who are located and/or resident in or are citizens of, in each case, a country other than the United Kingdom should consult their professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to acquire or subscribe for any New Ordinary Shares. The notice in the London Gazette which will be referred to in paragraph 7 of Part 3 of the Circular will state where an Application Form may be inspected or obtained. Any person with a registered address in or who are located in and/or resident in or are citizens of, in each case, a Restricted Jurisdiction who obtains a copy of the Circular or an Application Form is required to disregard them, except with the consent of the Company.

The Circular and any accompanying documents will not be made available to Overseas Shareholders with registered addresses in any Restricted Jurisdiction (subject to limited exceptions) and, subject to certain exceptions, may not be treated as an invitation to subscribe for any New Ordinary Shares by any person located in and/or resident in or are citizens of, in each case, a Restricted Jurisdiction.

The New Ordinary Shares, Open Offer Entitlements and Excess Open Offer Entitlements have not been, and will not be, registered under the applicable securities laws of any Restricted Jurisdiction. Accordingly, subject to certain exceptions, the New Ordinary Shares, Open Offer Entitlements and Excess Open Offer Entitlements may not be offered, sold, delivered or transferred, directly or indirectly, in or into any Restricted Jurisdiction to or for the account or benefit of any national, resident or citizen of any Restricted Jurisdiction.

10. Dilution resulting from the Fundraising

Following the issue of New Ordinary Shares, Shareholders who take up their Open Offer Entitlements (but do not take up any Excess Open Offer Entitlements) in full will suffer a dilution of approximately 8.9 per cent. to their interests in the Company as a result of the Fundraising. The Board has sought to balance this dilution by making available the Excess Application Facility.

Shareholders who do not take up any of their Open Offer Entitlements will suffer a dilution of up to 30.1 per cent. to their interests in the Company as a result of the Fundraising.

11. The City Code

The City Code applies to quoted public companies which have their registered office in the UK, the Channel Islands or the Isle of Man and, in addition, unquoted public companies which have their registered office in the UK, the Channel Islands, or the Isle of Man and whose central management and control remain in the UK, the Channel Islands or the Isle of Man. Accordingly, the City Code applies to the Company. Under the City Code, if an acquisition of Ordinary Shares or interests therein were to increase the aggregate holding of the acquirer and its concert parties to interests in shares carrying 30 per cent. or more of the voting rights in the Company, the acquirer and, depending on circumstances, its concert parties would be required (except with the consent of the Panel) to make a cash offer for the outstanding shares in the Company at a price not less than the highest price paid for interests in shares by the acquirer or its concert parties during the previous 12 months.

This requirement would also be triggered by any acquisition of New Ordinary Shares and/or interest therein by a person holding (together with its concert parties) Ordinary Shares carrying between 30 and 50 per cent. of the voting rights in the Company if the effect of such acquisition was to increase that person’s percentage of the total voting rights of the Company.

12. Placing Agreement

Under a placing agreement entered into between the Company, Shore Capital & Corporate and the Joint Brokers, each of the Joint Brokers have conditionally agreed to act as placing agent to the Company and to use reasonable endeavours to procure Placees to subscribe for the Firm Placing Shares and the Conditional Placing Shares at the Issue Price. The Conditional Placing Shares have been placed with Placees subject to clawback under the Open Offer. The Placing Agreement sets out the conditions relating to the Placing.

The Firm Placing and the Conditional Placing are conditional upon (amongst other things) the satisfaction of the following conditions:

(a) Admission taking place no later than 8.00 a.m. on 20 May 2021 (or such later time and/or date as the Company and the Joint Brokers may agree being no later than 4 June 2021);

(b) there being no breach of warranty in the Placing Agreement prior to Admission; and

(c) the performance by the Company of its obligations under the Placing Agreement and/or other terms of or conditions to the Firm Placing and the Conditional Placing prior to Admission.

The Placing Agreement contains certain customary warranties from the Company in favour of Shore Capital & Corporate and the Joint Brokers in relation to, *inter alia*, the accuracy of the information contained in this announcement and certain other matters relating to the Group and its business. In addition, the Company has given certain undertakings to Shore Capital & Corporate and the Joint Brokers and has agreed to indemnify Shore Capital & Corporate and the Joint Brokers in relation to certain customary liabilities they may incur in respect of the Fundraising. Shore Capital & Corporate and the Joint Brokers have the right to terminate the Placing Agreement in certain circumstances prior to Admission including, *inter alia*: (i) for certain force majeure events or other events involving certain material adverse changes or prospective material adverse changes relating to the Group; or (ii) in the event of a breach of the warranties or other obligations of the Company set out in the Placing Agreement.

Under the Placing Agreement the Company has agreed to pay certain fees and commissions to Shore Capital & Corporate and the Joint Brokers and certain other costs and expenses in connection with the Fundraising and Admission.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS[(1), (2)]

	2021
Record Date for entitlements under the Open Offer	6.00 p.m. on 29 April
Publication of this announcement	30 April
Ex-entitlement date for the Open Offer	8.00 a.m. on 30 April
Posting of the Circular and, to Qualifying Non-CREST Shareholders only, the Application Form[(3)]	30 April
Publication of Notice of the Open Offer in the London Gazette	4 May
Open Offer Entitlements credited to stock accounts of Qualifying CREST Shareholders[(3)]	4 May
Recommended latest time for requesting withdrawal of Open Offer Entitlements from CREST[(3)]	4.30 p.m. on 13 May
Latest time and date for depositing Open Offer Entitlements into CREST[(3)]	3.00 p.m. on 14 May
Latest time and date for splitting of Application Forms (to satisfy *bona fide* market claims only)	3.00 p.m. on 17 May
Latest time and date for receipt of completed Application Forms from Qualifying Non-CREST Shareholders and payment in full	**11.00 a.m. on 19 May**

under the Open Offer and settlement of relevant CREST instructions (as appropriate)(3), (4)	
Announcement of the result of the Open Offer	19 May
Admission and commencement of dealings in the New Ordinary Shares	8.00 a.m. on 20 May
CREST Members' accounts expected to be credited in respect of New Ordinary Shares in uncertificated form(3)	20 May
Expected despatch of definitive share certificates for New Ordinary Shares in certificated form(3)	by 4 June

Notes:

1. Each of the times and dates below are indicative only and are subject to change. If any of the above times and/or dates change, the revised times and/or dates will be notified by the Company to Shareholders by announcement through a RIS.
2. All of the times below refer to London time unless otherwise stated.
3. Subject to certain restrictions relating to Qualifying Shareholders with registered addresses in, or who are located and/or resident in or are citizens of, in each case, countries outside the UK (details of which will be set out in Part 3 of the Circular).
4. In order to subscribe for Open Offer Shares, Qualifying Shareholders will need to follow the procedure which will be set out in Part 3 of the Circular and, where relevant, complete the Application Form. If Qualifying Shareholders have any queries on the procedure for acceptance and payment, or wish to request another Application Form, they should contact Neville Registrars on 0121 585 1131 or if calling from outside the UK on +44 121 585 1131. Calls to the Neville Registrars' help lines are charged at your provider's standard rates for national or, as the case may be, international calls. Different charges may apply to calls made from mobile telephones and calls may be recorded and monitored randomly for security and training purposes. Neville Registrars cannot provide advice on the merits of the Open Offer nor give any financial, legal or tax advice.

ISSUE STATISTICS

Closing Price per Ordinary Share(1)	22.4 pence
Issue Price per New Ordinary Share	18 pence
Basis of Open Offer	10 Open Offer Shares for every 33 Existing Ordinary Shares(2)
Discount to Closing Price per Ordinary Share(1)	19.6 per cent.
Number of Ordinary Shares in issue(3)	126,558,845
Number of Firm Placing Shares to be issued by the Company	16,093,279
Gross proceeds of the Firm Placing	£9.8 million
Maximum number of New Ordinary Shares to be issued by the Company pursuant to the Open Offer and Conditional Placing	38,351,165
Gross proceeds of the Fundraising	£9.8 million
Maximum number of Ordinary Shares in issue immediately following Admission(3)	181,003,289
Percentage of Enlarged Share Capital represented by the Firm Placing Shares	8.9 per cent.

Percentage of Enlarged Share Capital represented by the Open Offer Shares and Conditional Placing Shares	21.2 per cent.
Percentage of the Enlarged Share Capital represented by the New Ordinary Shares	30.1 per cent.
Estimated net proceeds of the Fundraising(4)	£9.0 million
Ordinary Shares ISIN	GB0030508757
Open Offer Entitlements ISIN	GB00BNKF7268
Excess Open Offer Entitlements ISIN	GB00BNKF7375
SEDOL	3050875
SEDOL Open Offer Entitlements	BNKF726
SEDOL Excess Entitlements	BNKF737

Notes:

1. Closing Price on the Latest Practicable Date.
2. Fractions of Open Offer Shares will not be allotted to Shareholders in the Open Offer and fractional entitlements under the Open Offer will be rounded down to the nearest whole number of Open Offer Shares.
3. As at the Latest Practicable Date.
4. Based on the estimated expenses of the Fundraising and assuming successful applications are received for all available Open Offer Shares and no further new Ordinary Shares are issued as a result of the exercise of any options or awards vesting under any share schemes of the Company.

DEFINITIONS

The following definitions apply throughout this announcement unless the context requires otherwise:

"Admission"	the admission of the New Ordinary Shares to trading on AIM becoming effective in accordance with the AIM Rules
"AIM"	AIM, a market operated by the London Stock Exchange
"AIM Rules"	the AIM Rules for Companies published by the London Stock Exchange (as amended from time to time)
"AIM Rules for Nominated Advisers"	the AIM Rules for Nominated Advisers published by the London Stock Exchange (as amended from time to time)
"Application Form"	the personalised application form accompanying the Circular on which Qualifying Non-CREST Shareholders may apply for Open Offer Shares under the Open Offer
"Board" or **"Directors"**	the directors of the Company
"Business Day"	any day on which banks are usually open in England and Wales for the transaction of business, other than a Saturday, Sunday or public holiday

"certificated" or **"in certificated form"**	a share or other security not held in uncertificated form (that is, not in CREST)
"Circular"	the circular containing details of the Fundraising expected to be posted to Shareholders later today
"City Code"	the City Code on Takeovers and Mergers
"Closing Price"	the closing middle market quotation of an Ordinary Share as derived from the Daily Official List of the London Stock Exchange
"Companies Act" or the **"Act"**	Companies Act 2006 (as amended)
"Company" or **"FireAngel"**	FireAngel Safety Technology Group Plc, a public limited company incorporated in England and Wales with company number 03991353
"Conditional Placing"	the conditional placing of the Conditional Placing Shares by the Company
"Conditional Placing Shares"	the 38,351,165 New Ordinary Shares which are the subject of the Conditional Placing
"CREST"	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as defined in the CREST Regulations)
"CREST Member"	a person who has been admitted to Euroclear as a system-member (as defined in the CREST Regulations)
"CREST Participant"	a person who is, in relation to CREST, a system-participant (as defined in the CREST Regulations)
"CREST Regulations"	the Uncertificated Securities Regulations 2001 (SI 2001/3755) (as amended from time to time)
"Enlarged Share Capital"	the total number of issued Ordinary Shares on completion of the Fundraising following the issue of the New Ordinary Shares, and assuming that all of the New Ordinary Shares (but no others) are issued
"Estimated Expenses"	the estimated expenses incurred in connection with the Fundraising, being £0.8 million, assuming all New Ordinary Shares are issued
"Euroclear"	Euroclear UK & Ireland Limited, the operator of CREST
"**Excess Allocation Method**"	the Excess Allocation Method to be described in paragraph 2 of Part 3 of the Circular
"**Excess Application Cap**"	the Excess Application Cap to be defined in paragraph 2 of Part 3 of the Circular
"**Excess Application Facility**"	the arrangement pursuant to which Qualifying Shareholders may apply for Open Offer Shares in excess of their Open Offer Entitlement
"**Excess CREST Open Offer Entitlements**"	in respect of each Qualifying CREST Shareholder, the entitlement to apply for Open Offer Shares in addition to such holder's Open Offer Entitlement credited to their stock account in CREST, pursuant to the Excess Application Facility, which is conditional on them taking up their Open Offer Entitlement in full and which may be subject to scaling back in accordance with the Excess Allocation Method and the provisions of the Circular

"**Excess Open Offer Entitlements**"	an entitlement for each Qualifying Shareholder to apply to subscribe for Open Offer Shares in addition to their Open Offer Entitlement pursuant to the Excess Application Facility which is conditional on them taking up their Open Offer Entitlement in full and which may be subject to scaling back in accordance with the provisions of the Circular
"**Excess Share Applicant**"	each Qualifying Shareholder who has (i) taken up its Open Offer Entitlement in full and (ii) applied for Excess Shares under the Excess Application Facility
"**Excess Shares**"	Open Offer Shares in addition to the Open Offer Entitlement for which Qualifying Shareholders may apply under the Excess Application Facility
"Existing Ordinary Shares"	the issued share capital of the Company as at the date of this announcement, being 126,558,845 Ordinary Shares
"FCA"	the United Kingdom Financial Conduct Authority in its capacity as the competent authority for the purposes of Part VI of FSMA
"Firm Placing"	the placing of the Firm Placing Shares with certain existing Shareholders and new investors pursuant to the terms of the Placing Agreement
"Firm Placing Shares"	16,093,279 New Ordinary Shares to be allotted and issued by the Company pursuant to the Placing Agreement, including the Firm Placing Cashbox Shares
"Firm Placing Cashbox Shares"	means 9,765,337 New Ordinary Shares to be issued in connection with the Firm Placing to those persons entitled thereto in consideration for the JerseyCo Subscriber transferring its ordinary shares and redeemable preference shares in JerseyCo to the Company
"FSMA"	the Financial Services and Markets Act 2000 (as amended)
"Fundraising"	the Firm Placing, Open Offer and Conditional Placing
"Gross Proceeds"	the proceeds from the issue of the New Ordinary Shares prior to the deduction of the Estimated Expenses, being £9.8 million, assuming all New Ordinary Shares are issued
"Group"	the Company and its subsidiaries from time to time
"Issue Price"	18 pence per New Ordinary Share
"JerseyCo"	means Project Hurricane Limited
"JerseyCo Subscriber"	means Shore Capital Stockbrokers
"Joint Brokers"	means, together, Shore Capital Stockbrokers and N+1 Singer
"Latest Practicable Date"	means 29 April 2021
"London Stock Exchange"	London Stock Exchange plc
"N+1 Singer"	Nplus1 Singer Capital Markets Limited (together with its affiliated entities), acting as the Company's joint broker, which is incorporated as a private limited company in England and Wales with company number 05792780
"Net Proceeds"	the estimated net proceeds from the issue of the New Ordinary Shares after

	the deduction of the Estimated Expenses from the Gross Proceeds
"New Ordinary Shares"	the Ordinary Shares to be issued in connection with the Fundraising, being up to 54,444,444 new Ordinary Shares
"Open Offer"	the conditional invitation to Qualifying Shareholders to subscribe for the Open Offer Shares at the Issue Price on the terms and subject to the conditions which will be set out in the Circular and, in the case of Qualifying Non-CREST Shareholders only, the Application Form
"Open Offer Entitlement(s)"	the *pro rata* entitlement of Qualifying Shareholders to subscribe for 10 Open Offer Shares for every 33 Existing Ordinary Shares registered in their name as at the Record Date, on and subject to the terms of the Open Offer
"Open Offer Shares"	the up to 38,351,165 New Ordinary Shares for which Qualifying Shareholders are being invited to apply, to be issued pursuant to the terms of the Open Offer
"Ordinary Shares"	the ordinary shares of two pence each in the capital of the Company and "**Ordinary Share**" shall be construed accordingly
"Overseas Shareholders"	Shareholders with a registered address in or who are located and/or resident in or are a citizen of, in each case, a Restricted Jurisdiction
"Panel"	the Panel on Takeovers and Mergers
"Participant ID"	the identification code or membership number used in CREST to identify a particular CREST Member or other CREST Participant
"Placee"	any person that has agreed to subscribe for Firm Placing Shares or conditionally agreed to subscribe for Placing Shares
"Placing"	the Conditional Placing of the Conditional Placing Shares and the Firm Placing of the Firm Placing Shares by the Company
"Placing Shares"	the Firm Placing Shares and the Conditional Placing Shares, together
"Qualifying CREST Shareholders"	Qualifying Shareholders holding Ordinary Shares in uncertificated form in CREST at the Record Date
"Qualifying Non-CREST Shareholders"	Qualifying Shareholders holding Ordinary Shares in certificated form at the Record Date
"Qualifying Shareholders"	holders of Existing Ordinary Shares on the register of members of the Company at the Record Date
"Record Date"	6.00 p.m. on 29 April 2021
"Registrars" or **"Receiving Agent"**	Neville Registrars Limited, Neville House, Steelpark Road, Halesowen B62 8HD
"Restricted Jurisdiction"	each and any of the United States, Australia, Canada, Japan, the Republic of South Africa and New Zealand
"RIS" or "Regulatory Information Service"	a Regulatory Information Service within the meaning given in the AIM Rules
"Shareholders"	holders of Ordinary Shares
"Shore Capital"	Shore Capital & Corporate and/or Shore Capital Stockbrokers, as

	appropriate
"Shore Capital & Corporate"	Shore Capital and Corporate Limited and, where the context allows, its affiliates, the Company's nominated adviser, which is incorporated as a private limited company in England and Wales with company number 02083043
"Shore Capital Stockbrokers"	Shore Capital Stockbrokers Limited and, where the context allows, its affiliates, acting as the Company's joint broker, which is incorporated as a private limited company in England and Wales with company number 01850105
"uncertificated" or **"in uncertificated form"**	a shareholding which is recorded on the register of members of the Company 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 Kingdom" or **"UK"**	the United Kingdom of Great Britain and Northern Ireland
"United States" or "US"	the United States of America
"USE"	an unmatched stock event
"£", "Pounds Sterling", "sterling", "Pence" or **"pence"**	the lawful currency of the United Kingdom