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BSF Enterprise PLC
27 April 2022

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27 April 2022

BSF Enterprise plc
("BSF" or the "Company")

Conditional Placing to raise £1.75 million (before expenses)

Publication of Prospectus

Proposed Waiver of Rule 9 of the Takeover Code

Notice of General Meeting

BSF Enterprise plc (LSE: BSFA), the investment company established to acquire businesses focused on early-stage opportunities in the biotechnology, innovative marketing and e-commerce sectors, is pleased to announce that it has conditionally raised £1.75 million (before expenses) (the "**Placing**") via the proposed issue of 23,744,912 new Ordinary Shares (the "**Placing Shares**") at a price of 7.37 pence per new Ordinary Share (the "**Placing Price**") with Placing Warrants attached.

Under the Placing, each Placee will receive one Placing Warrant for every two Placing Shares subscribed for in the Placing and with each Placing Warrant entitling the holder to subscribe for one Ordinary Share at an exercise price of 15p per share at any time up and until the third anniversary of Admission. The Placing Warrants will be freely transferable. In addition, the Company has agreed, conditionally on Admission, to issue the 447,761 Broker Warrants to Shard Capital,

which are exercisable at an exercise price of 15p per share at any time up and until the third anniversary of Admission and are non-transferable.

The Placing Shares subscribed for in the Placing at the Placing Price will represent approximately 27.68 per cent. of the Enlarged Share Capital. The Placing is conditional, inter alia, on the Acquisition Agreement becoming unconditional (save as to Admission) and the Resolutions being passed at the General Meeting.

The net placing proceeds are expected to be £1,335,000 and will be used for the following purposes:

- lab space and consumables (£77,500);
- employing additional time from 3DBT's existing professional and technical people (£486,000);
- employing additional professional and technical people (£130,000);
- marketing and sales avenues for the serum free and cosmetics (£50,000); and
- general corporate overheads (£871,500).

As announced on 24 December 2021, the Company has entered into a conditional share sale and purchase agreement (the "**Acquisition Agreement**") to acquire the entire issued share capital of 3D Bio-Tissues Limited ("**3DBT**") in consideration for the allotment and issue to the Sellers of an aggregate of 33,900,004 Consideration Shares (the "**Acquisition**"). The Acquisition is conditional, inter alia, on a successful Placing and the passing of the Resolutions at the General Meeting (including the Rule 9 Waiver).

The Company is also proposing to adopt two equity incentive plans:

- Restricted Share Plan. Subject to the passing of Resolution 4 at the General Meeting, the Company will adopt the Restricted Share Plan, which will allow for the grant of shares to selected employees subject to restrictions and forfeiture risks which will be lifted after a certain period. It is intended that participants will be executive directors and senior employees of the Company. No more than 15 per cent. of the issued share capital of the Company from time to time can be issued or issuable under the plan and other grant of shares by the Company which are subject to restrictions and forfeiture risks.

- Employee Share Option Plan ("ESOP"). Subject to the passing of Resolution 5 at the General Meeting the Company proposes to adopt the ESOP, which will allow for the grant of EMI options and non-approved share options. At present, no options to subscribe for Ordinary Shares have been granted under the ESOP. No more than 5 per cent. of the issued share capital of the Company from time to time shall be issued or issuable under the ESOP and other share option arrangements of the Company. At any time, the total market value (at the relevant dates of grant) of the shares that can be acquired on the exercise of all EMI options over the shares will not exceed

£3 million (or any other amount as may be specified by the legislation governing EMI options at the relevant time).

On Completion, the Company proposes to issue a total of 7,798,491 new Ordinary Shares as Restricted Shares to certain of its directors and certain 3DBT staff as follows:

Name	No. of Restricted Shares
Professor Che Connon	3,899,246
Dr Ricardo Gouveia	779,849
Professor Yu Xiong	779,849
Min Yang	779,849
Geoff Baker	1,559,698
Total	**7,798,491**

The Restricted Shares to be issued to Professor Che Connon and Dr Ricardo Gouveia will be subject to the rules of the Restricted Share Plan.

The Restricted Shares to be issued to Min Yang, Geoff Baker and Professor Yu Xiong will be subject to the terms and conditions of the Restricted Share Agreements, which are substantially the same as the terms and conditions contained in the rules of the Restricted Share Plan.

None of the Restricted Shares to be issued will be subject to any performance conditions.

The recipients of the Restricted Shares are all members of the Concert Party.

Publication of Prospectus

In connection with the Placing, the Acquisition and Admission, the Company has today received approval from the FCA of its Prospectus relating to the Enlarged Group and has published its Prospectus.

The Prospectus and an electronic copy of the Prospectus has been made available on the Company's website (www.bsfenterprise.com). The Prospectus will also be available for inspection at the National Storage Mechanism website: (https://data.fca.org.uk/#/nsm/nationalstoragemechanism).

Notice of General Meeting

In addition, a circular is being posted today to Shareholders (the "**Circular**") which sets out in more detail the background and reasons for the Acquisition, the Placing and details of the proposed issue of Restricted Shares, and certain other proposals and also includes a notice of General Meeting.

A General Meeting of the Company is being convened for 10:00 a.m. on 16 May 2022 at the offices of Ince Gordon Dadds LLP, Aldgate Tower, 2 Leman Street, London E1 8QN.

Proposed Waiver of Rule 9 of the Takeover Code

Immediately, upon Admission pursuant to the terms of the Acquisition Agreement and the issue of the Restricted Shares, the Concert Party will hold 56,778,497 Ordinary Shares, representing approximately 66.19 per cent. of the Enlarged Share Capital. Accordingly, the Concert Party would normally be required under Rule 9 of the Code to make a mandatory offer for the remainder of the share capital of the Company. However, the Panel has agreed, subject to the Rule 9 Waiver being approved by Independent Shareholders at the General Meeting, to waive the obligation on the Concert Party, under Rule 9 of the Code, to make an offer for the entire issued share capital of the Company that will arise as a result of issue to the Concert Party of the Consideration Shares and the Restricted Shares.

The Rule 9 Waiver is subject to Independent Shareholder approval at the General Meeting. In order to comply with the Code, the Rule 9 Waiver will be taken on a poll, and require the approval of more than 50 per cent. of votes cast by Independent Shareholders at the General Meeting present in person or by proxy and voting at the General Meeting. The members of the Concert Party will not vote on the Rule 9 Waiver.

As, immediately following Admission, the Concert Party will hold, in aggregate, more than 50 per cent. of the voting rights in in the Company, members of the Concert Party may acquire further interests in the Ordinary Shares of the Company without incurring any obligation under Rule 9 to make a general offer. However, individual members of the Concert Party will not be able to increase their percentage interests in shares through or between a Rule 9 threshold without Panel consent.

Other Resolutions proposed at the General Meeting

In addition to the Rule 9 Waiver, the Company is also proposing resolutions at the General Meeting as follows:

- Resolution 2 (ordinary resolution) to grant the directors general authority to allot shares or grant rights to subscribe for, or convert any security into shares, including in respect of the New Ordinary Shares, the Placing Warrants and the Broker Warrants.

- Resolution 3 (special resolution) to disapply statutory pre-emption rights that would otherwise apply to allotments of shares for cash, including in respect of the New Ordinary Shares, the Placing Warrants and the Broker Warrants.

- Resolution 4 (ordinary resolution) to approve the Restricted Share Plan and its implementation.

- Resolution 5 (ordinary resolution) to approve the ESOP and its implementation.

- Resolution 6 (ordinary resolution) to approve the issue of Restricted Shares to Min Yang and Geoff Baker who are existing directors of the Company.

The full text of the resolutions is set out in the Circular, which will be made available on the Company's website (www.bsfenterprise.com).

Expected Timetable of principle events

Publication of Prospectus	27 April 2022
Publication and despatch of Circular	27 April 2022
Latest time and date for receipt of Forms of Proxy and CREST Proxy Instructions for the General Meeting	10.00 a.m. on 12 May 2022
Record time for those Shareholders on the Register of Members entitled to attend or vote at the General Meeting	10.00 a.m. on 12 May 2022
General Meeting	10.00 a.m. on 16 May 2022
Announcement of the result of the General Meeting	16 May 2022
Completion of the Acquisition	17 May 2022
Admission effective and dealing in the New Ordinary Shares expected to commence	8.00 a.m. on 17 May 2022
Placing Shares and Consideration Shares expected to be credited to CREST members' accounts (where applicable)	17 May 2022

Note: All references in this announcement are to London times unless otherwise stated. The dates and times given are indicative only and are based on the Company's current expectations and may be subject to change. If any of the times and/or dates above change, the revised times and/or dates will be notified to Shareholders by announcement through a regulatory information service.

Key Statistics

Number of Existing Ordinary Shares	20,340,002
Number of Consideration Shares to be issued upon Completion	33,900,004

Issue Price of the Consideration Shares	7.37 pence
Number of Placing Shares	23,744,912
Placing Price of the Placing Shares	7.37 pence
Number of Placing Warrants to be issued pursuant to the Placing	11,872,456
Number of Broker Warrants to be issued pursuant to the Placing	447,761
Number of Restricted Shares	7,798,491
Enlarged Share Capital immediately on Admission	85,783,409
Consideration Shares as a percentage of the Enlarged Share Capital immediately on Admission	39.52%
Placing Shares as a percentage of the Enlarged Share Capital immediately on Admission	27.68%
Gross Proceeds of the Placing	£1,750,000
Net Proceeds of the Placing	£1,335,000
New Ordinary Share as a percentage of the Enlarged Share Capital immediately on Admission	76.29%
Market Capitalisation of the Company at the Issue Price on Admission	c. £6.32 million

Further announcements will be made in due course, as appropriate.

Enquiries:

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For further information, please visit www.bsfenterprise.com.

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*This announcement contains inside information for the purposes of Article 7 of the UK version of Market Regulation (EU) No 596/2014 on Market Abuse as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended ("**MAR**"). Upon the publication of this announcement via Regulatory Information Service, this inside information is now considered to be in the public domain.*

DISCLAIMER

Shard Capital Partners LLP ("**Shard Capital**"), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority (FRN: 538762), is acting as broker to the Company in relation to the Placing. Persons receiving this announcement should note that Shard Capital will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for advising any other person on the arrangements described in this announcement. Shard Capital has not authorised the contents of, or any part of, this announcement and no liability whatsoever is accepted by it for the accuracy of any information or opinion contained in this announcement or for the omission of any information.

This announcement includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "anticipates", "targets", "aims", "continues", "expects", "intends", "hopes", "may", "will", "would", "could" or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include matters that are not facts. They appear in a number of places throughout this announcement and include statements regarding the Directors' beliefs or current expectations concerning, amongst other things, the amount of capital which will be returned by the Company and the taxation of such amounts in the hands of Shareholders. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Investors should not place undue reliance on forward-looking statements, which speak only as of the date of this announcement.

The information given in this announcement and the forward-looking statements speak only as at the date of this announcement. The Company, Shard Capital and their respective affiliates expressly disclaim any obligation or undertaking to update, review or revise any forward-looking statement contained in this announcement to reflect actual results or any change in the assumptions, conditions or circumstances on which any such statements are based unless required to do so by the Financial Services and Markets Act 2000, the Listing Rules, the Prospectus Regulation Rules or other applicable laws, regulations or rules.

The Existing Ordinary Shares and the New Ordinary Shares have not, nor will they be, registered under the US Securities Act of 1933, as amended (the "**US Securities Act**") or with any securities regulatory authority of any state or other jurisdiction of the United States or under the applicable securities laws of Australia, Canada, Japan

or the Republic of South Africa. The Existing Ordinary Shares and the New Ordinary Shares to be issued by the Company may not be offered or sold directly or indirectly in or into the United States unless registered under the US Securities Act or offered in a transaction exempt from or not subject to the registration requirements of the US Securities Act or subject to certain exceptions, into Australia, Canada, Japan or the Republic of South Africa or to, or for the account or benefit of, any national, resident or citizen of Australia, Canada, Japan or the Republic of South Africa. The Company has not been, and will not be, registered under the US Investment Company Act of 1940, as amended.

The distribution of this announcement may be restricted by law in certain jurisdictions and persons into whose possession any document or other information referred to herein comes should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

The value of shares and the income from them is not guaranteed and can fall as well as rise due to stock market and currency movements. When you sell your investment you may get back less than you originally invested. All of the value of an investor's investment in the Company will be at risk. Past performance is not a guide to future performance and the information in this circular or any documents relating to the matters described in it cannot be relied upon as a guide to future performance. Persons needing advice should contact a professional adviser.

DEFINITIONS

Acquisition	the proposed acquisition by the Company of the entire issued share capital of 3DBT pursuant to the terms of the Acquisition Agreement;
Acquisition Agreement	means the conditional agreement dated 23 December 2021 made between the Company and the Sellers relating to the Acquisition;
Admission	means the re-admission of the Existing Ordinary Shares and the admission of the New Ordinary Shares to the Official List by way of a Standard Listing and to trading on the London Stock Exchange's Main Market for listed securities;
Broker Warrants	the 447,761 warrants to subscribe Ordinary Shares at the price of 15p per share being granted by the Company to Shard Capital conditionally on Admission in connection with the Placing;
City Code	the City Code on Takeovers and Mergers;
Company	means BSF Enterprise plc, a company incorporated in England & Wales whose registered office address

	is at C/o Locke Lord (UK) LLP, 201 Bishopsgate, London EC2M 3AB with company number 11554014;
Completion	means completion of the Acquisition;
Concert Party	the concert party for the purposes of the City Code, comprising the Sellers and certain existing Shareholders, as more particularly described in the Circular;
Consideration Shares	means the 33,900,004 new Ordinary Shares to be issued and allotted to the Sellers at the Placing Price pursuant to the terms of the Acquisition Agreement;
Directors, Board or Board of Directors	means the current directors of the Company or the board of directors from time to time of the Company, as the context requires, and "**Director**" is to be construed accordingly;
Enlarged Group	means, with effect from Completion, the Company and 3DBT;
Enlarged Share Capital	the share capital of the Company after Admission, comprising the Existing Ordinary Shares and the New Ordinary Shares;
ESOP	means the employee share option plan proposed to be adopted by the Company;
Existing Directors	means Min Yang, Geoffrey Robert Baker and Dennis Ow;
Existing Ordinary Shares	means the 36,900,000 Ordinary Shares of £0.01 each in issue as at the date of this announcement;
FCA	means the UK Financial Conduct Authority;
FSMA	means the UK Financial Services and Markets Act 2000, as amended;
£, pounds sterling or GBP	means British pounds sterling;
General Meeting	the general meeting of the Company, to be held at the offices of Ince Gordon Dadds LLP, Aldgate Tower, 2 Leman Street, London E1 8QN at 10.00 a.m. on 16 May 2022, or any adjournment thereof;
Independent Director	Dennis Ow;
Independent Shareholders	all Shareholders with the exception of the members of the Concert Party;
Listing Rules	means the listing rules made by the FCA under section 73A of FSMA as amended from time to time;
London Stock Exchange	means London Stock Exchange plc;

Main Market	means the main market for listed securities of the London Stock Exchange;
Market Abuse Regulation or MAR	the UK version of the EU Market Abuse Regulation (2014/596/EU) (incorporated into UK law by virtue of the EUWA) and the relevant provisions of the EU Market Abuse Regulation (2014/596/EU);
New Ordinary Shares	means the Placing Shares, the Consideration Shares and the Restricted Shares;
Official List	means the official list maintained by the FCA;
Ordinary Shares	means the ordinary shares of £0.01 each in the capital of the Company including, if the context requires, the New Ordinary Shares;
Panel	the Panel on Takeovers and Mergers;
Placing	means the proposed placing of the New Ordinary Shares by the Company at the Placing Price, conditional inter alia on Admission;
Placing Price	means 7.37 pence per New Ordinary Share;
Placing Shares	means the 23,744,912 new Ordinary Shares proposed to be issued and allotted pursuant to the Placing;
Placing Warrants	means the 11,872,456 warrants to subscribe new Ordinary Shares at 15p per share being granted by the Company to Placees conditionally on Admission;
Proposed Director	means Professor Che John Connon;
Prospectus	means the prospectus relating to the Acquisition, the Placing, Admission and the Enlarged Group;
Prospectus Regulation Rules	the Prospectus Regulation Rules made by the FCA under Part VI of the FSMA;
Resolutions	means the resolutions to be put to the Shareholders at the General Meeting as set out in the Notice of General Meeting;
Restricted Share Agreements	the agreements between the Company and each of Min Yang, Geoff Baker and Professor Yu Xiong dated 26 April 2022 pursuant to which the Company has conditionally agreed to award Restricted Shares to each of Min Yang, Geoff Baker and Professor Yu Xiong;
Restricted Share Award Agreement	the agreements dated 26 April 2022 between the Company and Professor Che Connon and Dr Ricardo Gouveia pursuant to which the Company has conditionally agreed to award Restricted Shares to such persons under the Restricted Share Plan;

Restricted Shares	the new Ordinary Shares to be issued on Admission under the Restricted Share Plan and pursuant to the Restricted Share Agreements;
Restricted Share Plan	means the restricted share plan proposed to be adopted by the Company;
Reverse Takeover	means a reverse takeover as defined in the Listing Rules;
Rule 9 Waiver	means the resolution numbered set out in the Notice of General Meeting, for the Independent Shareholders to approve, on a poll, the Panel's agreement to waive any obligation on any member of the Concert Party to make a general offer to Shareholders pursuant to Rule 9 that would otherwise arise as a result of the issue of the Consideration Shares and the Restricted Shares;
Securities Act	means the U.S. Securities Act of 1933, as amended;
Sellers	means Professor Che Connon, Dr Ricardo Gouveia, Newcastle University Holdings Limited and BSF Angel Funding Limited, being together all of the Sellers of the entire issued share capital of 3DBT pursuant to the Acquisition Agreement;
Shard Capital	Shard Capital Partners LLP, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority (FRN: 538762);
Shareholders	means the holders of Ordinary Shares;
Standard Listing	means a standard listing under Chapter 14 of the Listing Rules;
United Kingdom or U.K.	means the United Kingdom of Great Britain and Northern Ireland;
United States or U.S.	means the United States of America;

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