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Aukett Swanke Group PLC
21 March 2024

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Aukett Swanke Group Plc

("**Aukett Swanke**", the "**Company**", or, together with its subsidiaries, the "**Group**")

Acquisition of certain assets of RTS Technology Solutions Limited (in liquidation)
("**RTS**")

Subscription to raise up to £425,000

Notice of Results

Introduction

Aukett Swanke (AIM: AUK), the group providing Smart Buildings, Architectural and Design Services, is pleased to announce that Torpedo Factory Ltd ("**TFL**") (its wholly owned subsidiary) has acquired certain assets of RTS (the "**Assets**"), a company (trading as Vanti) which provided master system integration and smart building software to commercial properties in the UK (the "**Acquisition**").

The Acquisition introduces SaaS revenues from RTS's smart buildings software and, in the opinion of the Directors, marks a significant step forward in the Group's quest to become a leading smart buildings provider.

The Group intends to employ new staff to be based in a new Birmingham office, to be leased from a third party, to form the core of the Group's smart buildings offering.

RTS was founded in 2006 but as a result of a lack of funding was liquidated on 18 March 2024 with TFL completing the Acquisition on 20 March 2024.

The consideration payable by TFL for the Assets comprises an initial cash payment of approximately £37,000, with an additional up to £50,000 payable over the next 18 months dependent on the satisfaction of certain financial performance conditions deriving from the transfer and retention of certain RTS clients.

Share subscription

The Company is pleased to announce that it is raising in aggregate up to £425,000 (before expenses) through the issue of new equity, for the purposes of providing the Group with working capital for its increased scale. £275,000 is being raised by way of direct subscriptions by certain existing and institutional investors (the "**Investors**"). In

addition, certain directors and managers of the Group have indicated their intention to subscribe for up to £150,000 on the same terms as the Investors (the "**Subscription**").

In aggregate the Subscription will result in the issue and allotment of a total of up to 42,500,000 new ordinary shares of 1 penny each in the Company (the "**Subscription Shares**") at an issue price of 1 penny. Subscribers will receive warrants, exercisable for 3 years, to be issued (subject to certain conditions) on the basis of one warrant for every one Subscription Share with an exercise price of 1 penny. The Subscription Shares will be issued under the Company's existing share authorities; the warrants will require a specific authority to be sought at the forthcoming annual general meeting.

Current trading and Notice of results

The Group's audited financial statements for the year ended 30 September 2023 are in the process of finalisation and expected to be published on 28 March 2024. As previously indicated and in keeping with the trading pattern in the previous year the Group expects to report a loss for the first half of the current financial year with a stronger performance in the second half.

Further details on the Acquisition and the Subscription are detailed below.

Nick Clark, Chief Executive of Aukett Swanke, commented:

"Vanti has been known to the management of our Torpedo Factory Group business for many years. They are well known in the smart buildings sphere, having been contributors to the recent RIBA publication "Smart Building Overlay to the RIBA Plan of Work" and spoken at this year's Smart Building Conference in Barcelona. Despite its apparently small scale, this purchase provides us with access to a wealth of experience in the delivery of smart building systems. We are delighted to be expanding TFG's interests to the West Midlands with the opening of a Birmingham office, and to welcome former Vanti employees to the Group. We are also excited by the opportunities for the software assets."

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About Aukett Swanke Group plc

Aukett Swanke Group has a strong foundation in architectural services and is on a transformative journey to become a London-listed provider of Smart Buildings and related services. ASG are uniquely positioned to ensure the technical systems that run modern premises are designed as an integral part of the structure, from the outset.

For more information go to https://www.aukettswankeplc.com

Background on RTS and reasons for the Acquisition

RTS (trading as Vanti) was previously an audio visual systems integrator, whose visionary approach saw them make an early transition to the role of master systems integrator (**"MSI"**). The Acquisition will help accelerate TFL's journey, making the same transition but on a larger scale.

The profits from their MSI activities were ploughed into developing two software products. One, Kahu, is a workplace technology platform of the kind the Group distributes through its Anders + Kern subsidiary. The second, Smart Core, is potentially transformational for our Group. Smart Core is a Building Operating System. This controls a building's systems, and provides for the appropriate sharing of data and ability to control them between landlord, tenants, and users through APIs and graphical interfaces. Smart Core is in the early stages of commercialisation, and has been deployed across several buildings in a number of different countries. It is

primarily used as an open source Community Edition, but an Enterprise Edition has been developed and is ready to be marketed.

Smart Core can be sold either as a SaaS model, where the customer pays monthly or annually over the long term, or a CapEx licence model, where a one-off licence sale is made, with a lower annual maintenance fee to cover support and upgrades. The Board sees attractions in both areas - CapEx sales lend themselves well to the existing model of procuring and delivering a new building, where a main contractor manages a sizeable capital outlay, and the building owner wants to keep a competitively low service charge. The SaaS model works well for the retrofit market (where the Company's ecoDriver business specialises), and where a Building Operating System can more than pay for itself through savings from running the building more efficiently, and from improved reporting across an entire portfolio of properties, which may be running a wide variety of building technology systems (e.g. Building Management Systems, lighting, access control, CCTV etc) from a number of different legacy providers.

The Acquisition opens up tremendous opportunities for synergies and cross selling within the Group. ecoDriver can potentially be used to share information with Kahu to provide a richer tenant experience, and Kahu could provide information to ecoDriver to offer insight into required energy usage. The Group's Artificial Intelligence efforts can potentially help Smart Core with improved building management insights. Moreover, the new Birmingham office will broaden the range of services our architects can provide, while our architects ensure that smart building considerations are higher priority than has been the case hitherto.

Terms of the Acquisition

RTS entered into liquidation on 18 March 2024 and Robert Keyes of KCR Corporate Recovery (the "**Liquidator**") was appointed as the liquidator.

TFL has entered into an asset purchase agreement with RTS (as seller) and the Liquidator to acquire the Assets for an initial consideration of £37,003, which has been settled by TFL with the Liquidator and an additional up to £50,000 payable, subject to the satisfaction of certain performance conditions deriving from the transfer and retention of certain RTS clients, over a period of up to 18 months.

Prior to entering liquidation, management accounts indicate that, for the year ended 31 October 2023 RTS reported revenues of £3.61 million, loss before tax of £0.63 million and net assets of £0.01 million.

Initial subscription

In order to provide additional working capital to the Group for its increased scale, the Company is raising up to £425,000 by means of an equity fundraise. £275,000 has been raised by way of direct subscriptions for 27,500,000 Subscription Shares at 1 penny per new ordinary share (the "**Investor Subscription Shares**") by the Investors (the "**Initial Subscription**").

In addition, the Company has agreed to issue warrants to the Investors on the basis of one warrant for every one Subscription Share with an exercise price of 1 penny (the "**Warrants**"), the issue of such Warrants being conditional upon and subject to the passing of requisite authorities to allot and waiver of pre-emption rights at the Company's next annual general meeting. The Warrants will be valid for a period of three years from the date of shareholder approval.

Directors' intended subscription

The Company is currently in a closed period pending announcement of its annual audited results for the year ended 30 September 2023 ("**Accounts**"). However, the Board recognises the importance to shareholders of Director and management participation and, as such, certain members of the Board and management intend to subscribe for up to 15,000,000 Subscription Shares at the first available opportunity following the publication of the Accounts (expected to be on 28 March 2024) on the same terms (including Subscription Price and Warrant entitlement) as the Investors (the "**Additional Subscription**"). A further announcement in relation to the Additional Subscription will be made in due course, following publication of the Accounts.

Admission

Application will be made to the London Stock Exchange plc for the 27,500,000 Investor Subscription Shares to be admitted to trading on AIM (the "**Admission**"). It is expected that Admission will become effective and that dealings in the Investor Subscription Shares on AIM will commence at 8:00 a.m. on or around 26 March 2024.

The Investor Subscription Shares shall rank *pari passu* in all respects with the existing ordinary shares of 1 penny each in the Company ("**Ordinary Shares**"), including ranking equally for all dividends or other distributions declared, made or paid after their issue.

Total Voting Rights

On Admission, the Company's issued ordinary share capital will consist of 320,655,938 Ordinary Shares, with one vote per share. The Company does not hold any Ordinary Shares in treasury. Therefore, on Admission, the total number of Ordinary Shares and voting rights in the Company will be 320,655,938.

With effect from Admission, this figure may be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the share capital of the Company under the FCA's Disclosure Guidance and Transparency Rules.

Concert Party interest

Following the issue of the Investor Subscription Shares, the unchanged total holding of the Concert Party (as detailed in the Company's announcement on 2 March 2023) of 89,159,484 Ordinary Shares shall represent 27.81% of the Company's issued Ordinary Shares. Nick Clark, Freddie Jenner (each a Director) and Jason Brameld (a PDMR) are members of the Concert Party.

Forward Looking Statements

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 Board's beliefs or current expectations. 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.

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