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BSF Enterprise PLC
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BSF Enterprise PLC

Convertible Loan, Proposed Equity Fundraise and Capital Reorganisation
Notice of General Meeting

BSF Enterprise PLC (LSE: BSFA) (OTCQB: BSFAF), a leading innovator in tissue-engineered materials ("**BSF**" or the "**Company**"), is pleased to announce that it has, as set out below, conditionally entered into an equity fundraise ("**Equity Fundraise**") pursuant to a convertible loan note instrument ("**CLN**") and a warrant instrument with a syndicate of investors (the "**Investors**") in two phases. The Equity Fundraise will raise up to £5 million in aggregate of gross proceeds by way of a CLN and prepaid warrants ("**Prepaid Warrants**") and, if fully exercised, will raise up to a further £10 million in aggregate of gross proceeds by way of cash warrants ("**Cash Warrants**") from the Investors.

AlbR Capital Limited ("**AlbR**") acts as broker in connection with the Equity Fundraise.

At the same time the Company has undertaken to seek shareholder approval for a 12:1 share consolidation ("**Capital Reorganisation**"), as well as for the necessary share headroom to accommodate the Equity Fundraise (together the "**Resolutions**"), to be approved at a general meeting ("**General Meeting**") on 17 December 2025. The Equity Fundraise is subject to compliance with the requirements with the Prospectus Regulation Rules with regard to share capital headroom, including issuing a prospectus. An expected timetable of principal events for Capital Reorganisation is set out in the Appendix of this announcement and in the Notice of General Meeting. References to the terms of the Equity Fundraise relate to the post Capital Reorganisation share price.

The Notice of General Meeting and the Form of Proxy have been sent to shareholders of the Company. The Notice of the General Meeting is also available for download on the Company's website at: www.bsfenterprise.com. Shareholders should note that the Notice of General Meeting contains, inter alia, the Resolutions. Subject to the Resolutions being passed and the approval of the prospectus by the Financial Conduct Authority (the "**FCA**") for publication, the Equity Fundraise is expected to be completed on or around 30 January 2026.

Key Highlights:

- CLN delivers £300,000 gross proceeds of interest-free working capital in the immediate term, with the use of proceeds to cover the transaction costs, including the issue of a prospectus and working capital while the parties conclude the Equity Fundraise.
- Equity Fundraise delivers up to £5 million gross proceeds via Prepaid Warrants and up to £10 million gross proceeds via Cash Warrants pursuant to a warrant instrument (see details below), putting the Company and its subsidiaries (the "**Group**") in a strong financial position from which it can advance its current projects.
- The Company is required to meet certain investor relations and consultancy costs, details of which are set out below.
- On completion of the Capital Reorganisation, the Company will have in issue 10,697,869 ordinary shares of £0.01 each and 10,697,869 deferred shares of £0.11 each. The deferred shares will not carry any economic or

voting rights.

An update on the strategic direction of the Group is provided in an accompanying announcement released circa 7:01am today.

Geoff Baker, Chairman of BSF Enterprise plc, commented:
"The investment is expected to prove transformative to the strategic development of BSF. It will provide the capital required to accelerate the commercialisation of our subsidiary companies' core cutting-edge technologies in lab-grown leather, cultivated meat and corneal repair. At the same time, it will support the subsidiaries' independent, non-dilutive, fundraising activities during 2026.

At a Group level funds will also be used to bolster our marketing activities; provide the firepower to make potential acquisitions of companies complementary to our business model; cover our foreseeable working capital requirements; and will add considerable liquidity to our stock.

We look forward to this next chapter of the Company's development and to fulfilling our commercial and technological roadmap."

Convertible Loan Note Instrument
BSF has constituted an interest-free CLN for the principal amount of £300,000 and has received conditional placing letters for the notes from the Investors totalling £300,000. The subscription by the Investors for the CLN will be managed by AlbR. The CLN is intended as a working capital bridge until completion of the first phase of financing under the Equity Fundraise. Subject to the passing of the resolutions at the General Meeting and satisfaction of certain other conditions, the amount of £300,000 will be applied by the Investors to subscribe for the Prepaid Warrants pursuant to the Equity Fundraise on the terms and conditions set out in the Warrant Instrument, following which the CLN will be deemed satisfied in full and terminated.

In the unlikely event the Equity Fundraise does not complete within 180 days from the date of CLN, the notes under the CLN become repayable in cash. Additionally, should the Equity Fundraise not complete within 150 days from the date of CLN, it is convertible (at the Company's election) into shares at the closing share price on the trading day immediately preceding the date of conversion. Further details on the conditions and restrictions under the CLN are included below and in the notice of General Meeting.

The net proceeds from the CLN will be used to cover the transaction costs including the issue of a prospectus and working capital while the parties conclude the Equity Fundraise.

Equity Fundraise
The Company has constituted a warrant instrument and has received conditional placing letters for the Prepaid Warrants from the Investors totalling £4.70 million. The subscription by the Investors for the Equity Fundraise Warrants will be managed by AlbR. The Equity Fundraise is conditional upon, amongst other matters, all the Resolutions being approved at the General Meeting.

The material terms of the Equity Fundraise are set out below.

- The Equity Fundraise is structured as Prepaid Warrants and Cash Warrants. Each warrant, on exercise, entitles each subscriber to one new fully paid ordinary share in the capital of the Company.

- In return for their prepayment of an aggregate of £4.70 million (excluding the CLN), each subscriber under the Equity Fundraise is entitled to receive Prepaid Warrants exercisable at a fixed price of £0.02 per warrant with two attaching Cash Warrants, also exercisable at £0.02 per warrant (the Prepaid Warrants and the Cash

Warrants together the "**Equity Fundraise Warrants**"). The Equity Fundraise Warrants are exercisable prior to the expiry of 18 months from the date of satisfaction of the closing conditions set out in the warrant instrument.

· The Equity Fundraise is conditional on, *inter alia*, the following conditions being satisfied within 180 days from the date of CLN:

(i) the Company's ordinary shares continuing to be listed on the Equity Shares (Transition) Category of the Official List maintained by the FCA and the London Stock Exchange;

(ii) the shareholder approval at the General Meeting being granted to the directors of the Company with respect to the share authorities to enable the full and unconditional exercise of the Equity Fundraise Warrants (subject to the relevant terms of the warrant instrument);

(iii) the Capital Reorganisation by consolidating 128,374,437 ordinary shares of £0.01 each on a 12:1 basis and subsequently creating 10,697,869 new ordinary shares of £0.01 each and 10,697,869 deferred shares of £0.11 each;

(iv) the FCA's approval of the prospectus to be issued by the Company;

(v) the entry into a consulting agreement by the Company and Blackstone Mercantile Group Ltd SAC ("**Blackstone Mercantile**") for provision of markets consulting and investor relations services for a total consideration of (i) £2 million in aggregate (including VAT and any other disbursements) which is payable upon completion of the subscription of the Prepaid Warrants and is to be deducted from the gross proceeds received by the Company under the CLN and pursuant to the exercise of the Prepaid Warrants, and (ii) an amount equal to 20% of the proceeds received by the Company pursuant to the exercise of the Cash Warrants;

(vi) the entry into lock-in deeds with respect to dealings in the Company's shares with BSF Angel Funding Limited, Che Connon, Geoffrey Baker and Ricardo Gouveia; and

(vii) the entry into an orderly market deed with respect to dealings in the Company's shares with Newcastle University.

The full terms of the Equity Fundraise, and the use of proceeds will be set out in the prospectus.

The Equity Fundraise is expected to be effected as follows: The Investors will, subject to certain conditions, pay the subscription price for the Prepaid Warrants as a pre-payment (at which time the Company will receive the £4.70 million in cash); however, the Prepaid Warrants shall remain unexercised until such time as the Investors provide an exercise notice to the Company and subject to a prospectus being published. The Investors expect that, having invested sufficient capital to advance the Company's business strategy, the Company's share price and liquidity will improve. Accordingly, the Investors expect to see demand for the Company's shares and be able to exercise the Equity Fundraise Warrants (within the agreed ownership thresholds detailed in the Appendix) and trade their shares.

Further details on the conditions and restrictions of the Equity Fundraise are included in the Appendix below.

Broker services and related costs

In consideration of the broker services provided by AlbR, the Company shall (i) pay AlbR a commission amounting to 1% of the gross aggregate value of the funds raised from the Investors by AlbR; and (ii) grant AlbR 2,500,000

warrants ("**Broker Warrants**") for subscription of the Company's ordinary shares at the price of £0.02 per share. The Broker Warrants are exercisable from the date of this announcement up and until 1 June 2027, provided that they cannot be exercised within 6 months from the date of completion of the Equity Fundraise. The Company will also pay AlbR an annual retainer fee of £25,000 plus VAT by way of issuance of 1,250,000 new ordinary shares at the price of £0.02 provided that they cannot be sold within 6 months from the date of completion of the Equity Fundraise.

Investor services and consultancy costs

As part of the terms of the Equity Fundraise, the Company has agreed to pay Blackstone Mercantile (i) £2 million in aggregate (including VAT and any other disbursements) from the gross proceeds of the Equity Fundraise upon completion of the subscription of the Prepaid Warrants, and (ii) an amount equal to 20% of the cash proceeds received by the Company pursuant to the exercise of the Cash Warrants in consideration for the markets consulting and investor relations services to be provided by Blackstone Mercantile.

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

For further enquiries, please visit www.bsfenterprise.com or contact:

BSF Enterprise PLC

Geoff Baker - Chairman
Che Connon - CEO & Director

AlbR Capital Limited (Broker)
Colin Rowbury/Jon Belliss +44 (0)20 7469 0930

APPENDIX

Additional Key Terms of the CLN

- As stated above, in the unlikely event the Equity Fundraise does not complete within 180 days from the date of CLN, the notes under the CLN become repayable in cash.
- Additionally, should the Equity Fundraise not complete within 150 days from the date of CLN, it is convertible (at the Company's election) into shares at the closing share price on the trading day immediately preceding the date of conversion.
- The CLN is unsecured and interest free.
- No Investor is permitted to exercise the notes to the extent, as a result of such exercise, the Investor will own or control more than 2.99% of the issued ordinary share capital of the Company.
- No Investor is permitted to exercise the notes (in whole or in part) held by it to the extent that, as a result of such exercise, the Investor (together with persons acting in concert with it) will own or control more than 29.99% of the issued ordinary share capital of the Company.
- The Company is subject to a 120-day standstill from the date of satisfaction of conditions set out in the CLN on general equity issuances, subject to carve outs in respect of, amongst other things, issues in connection

with existing options and warrants, acquisition of and/or investment into an asset or company in connection with the continued roll out of its plan for strategic growth, and capital raise for Lab-Grown Leather and Kerato.

- For a period of 180-day from the date of CLN, each Investor has a right to participate in further fundraisings by the Company up to a maximum aggregate value of £5 million.
- The CLN includes standard terms relating to events of default, warranties by the Company to the Investors, change of control provisions and negative covenants.

Additional Key Terms of the Equity Fundraise

- The Company is subject to a six-month standstill from the date of satisfaction of the closing conditions set out in the warrant instrument on general equity issuances, subject to carve outs in respect of, amongst other things, issues in connection with existing options and warrants, acquisition of and/or investment into an asset or company, and capital raise for Lab-Grown Leather and Kerato.
- No Investor is permitted to exercise the Equity Fundraise Warrants to the extent that, as a result of such exercise, the Investor will own or control more than 2.99% of the issued ordinary share capital of the Company.
- No Investor is permitted to exercise the Equity Fundraise Warrants (in whole or in part) held by it to the extent that, as a result of such exercise, such Investor (together with persons acting in concert with it, as such term is applied for the purposes of the City Code on Takeovers and Mergers) will own or control more than 29.99% of the issued ordinary shares of the Company.

Expected Timetable of Principal Events

Publication of Notice of General Meeting and Forms of Proxy	28 November 2025
Latest time and date for receipt of Forms of Proxy and CREST Proxy Instructions for the General Meeting	10.00 a.m. on 15 December 2025
Time and date of the General Meeting	10.00 a.m. on 17 December 2025
Announcement of results of the General Meeting	17 December 2025
Record time and date for Capital Reorganisation	6.00 p.m. on 17 December 2025
Latest time and date for dealing in existing ordinary shares	6.00 p.m. on 17 December 2025
Expected date of admission and first day of dealings in new ordinary shares on the Main Market	18 December 2025
Expected date CREST accounts are to be credited with new ordinary shares in uncertificated form	18 December 2025
Despatch of definitive certificate for new ordinary shares (in certificated form)	By 12 January 2026

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.

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