

## AdEPT Telecom plc

### Restrictions on acquisition of shares by the Concert Party

Upon Admission, a Concert Party as defined by the City Code will exist, comprised of Ian Fishwick and certain Shareholders, being Bittium, Codium, Croyde and Oathall. Bittium, Codium and Croyde are companies incorporated in the Isle of Man which are each controlled by JF Worthytrust Limited which holds all of the shares in those companies under a nominee agreement to the order of Christopher Fishwick, Ian Fishwick's brother. Oathall is wholly-owned by Bittium.

Shareholders should be aware that following the Placing the Concert Party will, in aggregate, hold approximately 35.9 per cent. of the Enlarged Share Capital. Furthermore if Ian Fishwick were to exercise his options and no other option holder or warrant holder were to exercise their options or warrants the Concert Party would be interested in approximately 38.1 per cent. of the Company's issued share capital so enlarged. The Panel has confirmed that the exercise of these options will not oblige the Concert Party, either individually or collectively, to make an offer for the whole of the issued and to be issued share capital of the Company under Rule 9 of the City Code.

Consequently the Concert Party will have the ability to exert a very significant degree of control over the future conduct of the Company. Furthermore, under rule 9 of the City Code any person who acquires shares which, taken together with shares already held by him or shares held or acquired by persons acting in concert with him, carry 30 per cent. or more of the voting rights of a company which is subject to the City Code, is normally required to make a general offer to all its shareholders to acquire for cash the remaining shares in that company at not less than the highest price paid by him or persons acting in concert with him within the preceding twelve months. Rule 9 of the City Code also provides, inter alia, that where any person, together with persons acting in concert with him, holds not less than 30 per cent. but not more than 50 per cent. of the voting rights of a company and such person, or any person acting in concert with him, acquires additional shares which increase his percentage of the voting rights, that person is normally required to make a general offer, in cash, to acquire the remaining equity shares in the company at the highest price paid by him or persons acting in concert with him within the preceding 12 months. This provision will apply to the future acquisition of Ordinary Shares by any member of the Concert Party in these circumstances and hence further purchases of Ordinary Shares by any member of the Concert Party will be subject to the provisions of Rule 9 of the City Code.

Where any person, together with persons acting in concert with him, holds over 50 per cent. of a company's voting rights, then there are no further constraints on such person acquiring additional shares. However, Rule 9 of the City Code may apply to each member of the Concert Party separately and the Panel may regard any acquisition by any of them which raises their individual shareholdings to 30 per cent. or more of the Company's voting rights as giving rise to an obligation on that person under Rule 9 of the City Code. The Panel should therefore be consulted prior to any such increase.