

Certain information contained within this Announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014 ("MAR") as applied in the United Kingdom. Upon publication of this Announcement, this information is now considered to be in the public domain.

**Jaywing plc**  
**("Jaywing" or "the Company")**

**Trading update, Increase in Loan Facility and Strategic Review**

Jaywing Plc (AIM: JWNG), the marketing and data science business specialising in integrated marketing and risk and data consulting.

As set out in our interim results strong trading in Australia and our Risk Consulting business has continued to offset the much publicised weakness in the UK Agency market. We have continued to cut costs, particularly in the UK which will ensure that we have maximum operational leverage as we emerge from this softer market. Whilst market conditions continuing to be challenging there are encouraging signs of recovery. The business has built a strong pipeline of opportunities, and has recently won significant new contracts, including with Subaru Europe, Crocs (Asia Pacific) and with Homes England. A number of further opportunities are in process, particularly for UK Agency. We also have a number of new opportunities for our AI-based Decision software, which is beginning to build momentum at high margins.

As at 31<sup>st</sup> January net debt was slightly reduced, at £11,769k, down from £11,925k at 30<sup>th</sup> September 2023. It is expected that the Company will generate operating cashflow throughout 2024 and beyond and with limited further restructuring required and no material Capex forecast the business should naturally deliver and emerge with a much stronger balance sheet. In order to not place undue strain on the Company's working capital in the short term the Company announces that it has increased its existing loan facility ("the Loan Facility") with the Company's two lenders, DSC Investment Holdings Limited and Lombard Odier Asset Management (Europe) Limited\* (jointly, "the Lenders") by £566,500, taking the total facility to £9,766,500.

**Strategic Review**

The Lenders remain extremely supportive of the business, its improving operating performance and strong prospect list, but have requested that as the Company's expected recovery materialises throughout 2024, it should seek to refinance the Loan Facility, which was originally provided on a short-term interim basis in August 2019, with a more appropriate longer term capital base. The Company has invested significantly in broadening its geographic and technical capabilities to best serve the increasingly globalised demands of its customer base for cost effective solutions underpinned by technical insight and measurable return on marketing spend. In order to continue to build on this platform and reflecting the Lenders desire to see the business recapitalised, the Company will explore all strategic options, including a possible sale of the Company as it continues to recover its profitability to ensure that its client service can be delivered and that the ongoing support of the Loan Facility can be repaid.

As the Company is subject to the City Code and one of the possible outcomes of the strategic review is a sale of the Company, it is considered to be in an "offer period" as defined in the City Code, and the dealing disclosure requirements as set out further below will apply.

The Company confirms that is not in receipt of any approach, nor in discussions with any potential offeror, at the date of this announcement.

**Board Changes**

Under the revised loan agreement each lender has the right to appoint two directors to the Board. Lombard Odier has requested that Henry Turcan and Rob Giles be appointed. DSC has requested that David Beck be appointed as a director. These appointments are subject to the usual regulatory due diligence and are expected to join the board as soon as this process is complete. A further announcement will be made in due course. As part of the board restructuring Philip Hanson will resign with immediate effect but will continue to support the Company in an advisory capacity with the benefit of his strong

industry background and networks. The board would like to thank Philip for his valued contribution and service to the Company as a director. The Company intends to appoint an additional independent non-executive director as and when appropriate.

#### **Related party transaction**

The additional capital being lent by the Lenders is being provided on the same terms as the existing Loan Facility. As each of the Lenders, being DSC Investment Holdings Limited ("DSC" and Lombard Odier Asset Management (Europe) Limited ("Lombard Odier"), are considered related parties because of their respective shareholdings in the Company, the provision of this capital by entities associated with each of them is deemed to comprise related party transactions for the purposes of Rule 13 of the AIM Rules for Companies. The Independent Director (being Andrew Fryatt) considers, having consulted with the Company's nominated adviser, SPARK Advisory Partners Limited, that the terms of the transaction are fair and reasonable insofar as the Company's shareholders are concerned.

\*acting in its capacity as discretionary investment manager or sub-adviser for and on behalf of certain funds and accounts managed by it and/or as agent of Lombard Odier Asset Management (USA) Corp (LOAM USA) acting in its capacity as discretionary investment manager for and on behalf of certain funds and accounts managed by it ("Lombard Odier").

**-Ends-**

#### **For any further enquiries, please contact:**

For further information on the Company, please visit [www.jaywing.com](http://www.jaywing.com) or contact:

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#### **Notice related to the financial adviser**

SPARK Advisory Partners Limited, which is regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively for Jaywing and no one else in connection with the matters referred to in this announcement and will not be responsible to anyone other than Jaywing for providing the protections afforded to clients of SPARK Advisory Partners Limited, or for providing advice in relation to the matters referred to in this announcement.

#### **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.

#### **Disclosure requirements of the City Code**

Under Rule 8.3(a) of the City Code, any person who is interested in 1 per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been

announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the City Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at [www.thetakeoverpanel.org.uk](http://www.thetakeoverpanel.org.uk), including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

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