

Catenai PLC

("Catenai" or the "Company")

Proposed Convertible Loan Note, Issue of Broker Warrants & Notice of General Meeting

Catenai PLC (AIM: CTAI), the AIM quoted provider of digital media and technology, announces that it has conditionally entered into an unsecured convertible loan note agreement (the "Proposed Convertible Loan Note" or the "CLN") with Klarian Limited ("Klarian"), a UK data analytics company focussing on the oil and gas sector, to provide up to £450,000 in CLNs in up to three tranches.

The Proposed Convertible Loan Note is subject to shareholder approval at a forthcoming general meeting ("General Meeting"), details of which are set out below.

In addition, the Company announces the issue of warrants over new ordinary shares in the Company to its broker, Shard Capital Partners LLP ("Shard"), as part of its remuneration in relation to the fundraise completed and announced on 12 March 2024.

Klarian

Klarian is a UK data analytics company focussing on the oil and gas sector seeking to improve pipeline efficiency and optimisation through data collection and data analytics services. 'DigipipeVision', its real-time analytics platform, captures data to optimise operational productivity, efficiency, and profitability through real-time analysis of technical, commercial, and strategic data. The company produces products and services that generate repeat monthly license fees and ongoing consultancy revenue with long term repeat monthly revenues as the main focus and driver of business growth.

Proposed Convertible Loan Note

Catenai is proposing to lend up to £450,000 to Klarian under the Proposed Convertible Loan Note, to be satisfied through its existing cash resources. The terms of the CLN are set out below.

Terms	Amount / Date
Total loan amount	£450,000
Arrangement fee	£67,500 (15% of £450,000 added to first tranche)
Drawdown fee	£15,000 (10% of £150,000 added to each tranche)
Legal fee	£5,000 (added to first tranche)
Interest rate	0% per annum
Redemption date	31 December 2024

Catenai will provide the loan amount in up to three equal tranches of £150,000, with the first tranche due on execution of the CLN. Advancement of the second and third tranches, in aggregate £300,000, under the CLN would be subject to Catenai being satisfied by the financial performance of Klarian.

The loan notes issued under the CLN will be for an amount equal to the loan amounts and a drawdown fee in each case and, additionally, in the case of the first loan note, the arrangement fee and legal fee.

The loan notes may be repaid to Catenai at any time before 31 December 2024 in cash provided Klarian has given Catenai prior written notice of not less than 5 business days and provided further that at any time prior to actual repayment Catenai has not given written notice demanding that the loan notes be converted into ordinary shares of £0.01 each in Klarian. If such conversion notice is served the conversion shall take place

within 5 business days (subject to Klarian obtaining any required shareholder approvals) and be at a price of £17.25 per Klarian ordinary share (25% discount to the last fundraising completed by Klarian) or, if Klarian has undertaken a fundraising with independent third parties for value, the price per Klarian's ordinary share at the last such fundraising prior to conversion less a 25% discount.

If the notes have not been repaid, converted or redeemed prior to 31 December 2024, then Catenai shall be deemed to have served a conversion notice on such redemption date, and conversion shares (at the price set out above) shall be issued to Catenai within 5 business days of the redemption date.

The proceeds of the CLN will be used to fund Klarian's current working capital requirements.

Pursuant to AIM Rule 12, the Klarian CLN constitutes a substantial transaction under the AIM Rules for Companies. For the year ended 31 December 2022, Klarian had revenue of approximately £6,000 and made a loss of approximately £1,400,000. Klarian's unaudited management accounts as at 31 March 2024 show net current assets of approximately negative £540,000, and net assets of approximately £600,000. It is currently loss making, however, the directors of Catenai believe the growth prospects of Klarian justify entering into the CLN.

Sarfraz Munshi, Non-Executive Director of the Company, has an interest of approximately 1.5 per cent. in Klarian. Sanderson Capital Partners Limited, a substantial shareholder of the Company as at the date of this announcement, also has an interest of approximately 2.3 per cent. in Klarian.

As notified on 28 March 2024, Sarfraz Munshi is the board representative of Sanderson Capital Partners Limited. Mr Munshi is a partner / investment manager of Sanderson Capital Partners Limited.

Issue of Warrants

The Company has issued 12,000,000 warrants over new ordinary shares in the Company, exercisable at 0.3 pence per new ordinary share (the "Broker Warrants"), being the placing price in the fundraising announced on 12 March 2024. The Broker Warrants are exercisable for a period of three years from 12 March 2024.

Notice of General Meeting

The Company also announces that it has called a General Meeting ("GM") to be held on 9 May 2024 at 12pm at the offices of RWK Goodman LLP at 69 Carter Lane, London, EC4V 5EQ. The Company has sent a circular (the "Circular") and a notice convening the GM.

The Circular includes, inter alia, details of the Proposed Convertible Loan Note. A form of proxy will accompany the Circular.

The General Meeting is being called to seek shareholder approval for entry into, and execution of, the CLN by Catenai.

A copy of the Circular will shortly be available to download from the Company's website at: <https://www.catenaiplc.com/investors/financial-reports>

This announcement contains inside information for the purposes of the UK Market Abuse Regulation. The person who arranged for release of this announcement on behalf of the Company was John Farthing, Interim CEO & Chief Financial Officer of the Company and the Directors of the Company are responsible for the release of this announcement.

For further information please contact:

Catenai PLC
John Farthing, Interim CEO & Chief Financial Officer

+44 (0)20 7183 8666

Cairn Financial Advisers LLP (Nominated Adviser)
Liam Murray / Jo Turner

+44(0)20 7213 0880

Notes to Editors:

About Catenai PLC

Catenai is an AIM quoted provider of digital media and technology services. The Company specialises in IT solutions that solve commercial challenges and create opportunities for its clients, with an increasing focus incorporating AI into its platforms. The Company has an experienced IT team of project managers and integrators who have deployed systems across corporate, government and educational sectors.

<http://www.catenaiplc.com>

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