

This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("MAR"), and is disclosed in accordance with the company's obligations under Article 17 of MAR.

Roadside Real Estate plc

("Roadside" or the "Company")

**Partial sale of Cambridge Sleep Sciences shareholding for £8.5m and
Payment of CSS Bonus to Loan Note holders**

Roadside (AIM: ROAD) is pleased to announce that it has signed an unconditional share purchase agreement to sell a further 1,000 shares in its subsidiary, Cambridge Sleep Sciences ("CSS"), for £8,500 per share to CGV Ventures 1 Ltd. ("CGV") (the "Transaction"). The consideration of £8.5 million implies a significant increase in value to the Company's retained shareholding in CSS.

The consideration becomes payable at the earlier of 30 November 2024 or on receipt of delivery of CSS's first production run of Smart Pillows. Roadside intends to use the proceeds from the Transaction to reduce the Company's debt and a further announcement will be made following receipt of the proceeds of the Transaction.

In addition, CGV has agreed to pay a further £1.5 million of contingent consideration to Roadside, conditional on CSS receiving dispatch notices for, in aggregate, 25,000 smart pillows for dispatch on or before 11.59 pm on 31 January 2025.

About CGV

CGV is a US-based Venture Capital fund which specialises in taking minority positions in innovative healthcare companies. CGV last invested in CSS in April 2024 at a price of £7,500 per CSS share. Following completion of the Transaction, CGV will have a total stake of 20.0% in CSS.

About CSS

In the period ended 30 September 2023, CSS achieved revenue of £0.013 million, a loss before tax of £0.496 million and CSS's gross assets were held by Roadside at a total carrying value of £0.46 million, (net of intercompany positions).

On 11 September 2023, the Company announced that it was evaluating the best corporate setting to maximise shareholder value from its investment in CSS. The Board continues to explore the potential for a trade sale of CSS or other forms of divestment, but there can be no certainty that any transaction will ultimately be made nor on its value.

CSS Bonus to Loan Note holders

On 23 April 2024 Roadside, announced that it had completed the issue of £9.0 million principal amount of secured loan notes, ("2026 Loan Notes"). Roadside has now agreed with 2026 Loan Note holders, that they may exchange the 25% cash CSS Bonus payable by Roadside under the 2026 Loan Note for ordinary shares in CSS. Each £50,000 Loan Note has received two ordinary shares in CSS (previously held by Roadside) in exchange for the cash bonus payable. This has resulted in the transfer of 360 CSS shares from Roadside to Loan Note holders.

The CSS Bonus being paid in CSS shares rather than cash constitutes a change to the terms of the original Loan Note agreement and side letter originally entered into and announced on 23 April 2024 and is therefore deemed a Related Party Transaction under Rule 13 of the AIM Rules for Companies.

The Loan Note holders consist of, *inter alia*, Tamcourt, a company ultimately controlled by Charles Dickson and the Dickson Family and Charles Dickson subscribed directly for Loan Notes in an individual capacity. Charles Dickson is Executive Chairman of Roadside and a Director of the Company. Accordingly, the amendment to the Loan Note agreement and side letter constitutes a related party transaction under Rule 13 of the AIM Rules for Companies. The independent Directors, having consulted with the Company's nominated adviser, Cavendish Capital Markets Limited, consider that the terms of the transaction are fair and reasonable insofar as the Company's shareholders are concerned.

Effect on Roadside

Upon completion of the Transaction and the transfer of the shares pursuant to the CSS Bonus, Roadside's shareholding in CSS will reduce from 61.4% to 47.8%.

Following completion of the Transaction and the transfer of the shares under the CSS Bonus, Roadside will own less than 50.0% of the equity in CSS and so the remaining Roadside stake in CSS will now be recognised as an investment in Roadside's accounts.

The carrying value of the retained investment will be derived from the value of the Transaction and is therefore expected to generate a P&L profit. This remains subject to audit and a further announcement will be made in due course.

Charles Dickson, Executive Chairman, said:

"Whilst the Company is now focused on roadside real estate, we are delighted with the progress that CSS and its management team have made. We welcome CGV's decision to increase its stake in CSS and we continue to evaluate the right corporate setting for CSS to reach its full potential."

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For more information

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About Roadside

Roadside is a real estate business focused on building and scaling a high-quality portfolio of modern roadside retail assets, including modern EV charging infrastructure.

About Cambridge Sleep Sciences Ltd

Cambridge Sleep Sciences Ltd, is a legacy Life Sciences investment in which Roadside Real Estate plc holds a 47.8% interest. CSS develops technology which improves natural sleep. Using the principles of neuroscience and cutting-edge technology to enhance brain activity during sleep, its innovative solutions aim to improve health, wellbeing and enhance quality of life.

Its SleepEngine® technology has been developed and refined over a decade by a team of researchers, scientists, sound engineers and medical experts. This unique technology produces sounds which emulate the waves created by the brain during sleep cycles. The sleep sounds guide the user's brain through the sequence of healthy sleep cycles, helping them fall asleep and achieve the quality of sleep they need in a consistent and optimal way.

Find out more at: www.cambridgesleepsciences.com

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