

**1 July 2025**

*The information contained within this announcement is deemed to constitute inside information as stipulated under the retained EU law version of the Market Abuse Regulation (EU) No. 596/2014 (the "UK MAR") which is part of UK law by virtue of the European Union (Withdrawal) Act 2018. The information is disclosed in accordance with the Company's obligations under Article 17 of the UK MAR. Upon the publication of this announcement, this inside information is now considered to be in the public domain.*

## **Tialis Essential IT Plc ("Tialis" or the "Company")**

### **Strategy update and issue of equity**

Tialis, the mid-market IT Managed Services provider, announces the acquisition of a loan agreement from MXC Capital Guernsey Limited ("MXC") between MXC and Digital Petcare UK Limited ("Digital Petcare"). The loan has an outstanding value of £1.485m and carries an interest rate of 12%. In exchange Tialis will issue 2,320,313 Ordinary Shares of 1p each ("Ordinary Shares") to MXC, at the mid-market closing price on 30 June 2025 of 64p, to the same value of the outstanding loan. The loan has been placed into a newly created subsidiary of Tialis called Tialis Essential IT Debt Limited.

Concurrently, Tialis has also acquired MXC's outstanding equity position, of approximately 10.6%, in CloudCoCo Group PLC ("CloudCoCo"). In exchange Tialis will issue 310,821 Ordinary Shares to MXC, at the mid-market closing price on 30 June 2025 of 64p, to the value of £198,926, being the corresponding share value in CloudCoCo at 30 June 2025.

This is the first of several new deals that Tialis is planning to undertake as it expands its activities to deliver growth through acquisition and considers synergistic targets to deepen its service offerings, as announced in the final results for the year ended 31 December 2024, which could include becoming a diversified holdings company.

### **Background**

Tialis is led by Ian Smith, Executive Director, who, over the last 21 years, has completed over 100 investments, divestments, acquisitions and restructurings in the tech sector. Notable exits include Matrix Communications, Anix, Accumuli, Castleton Software, and Tax Systems - all public companies. Restructurings included Redstone PLC, Maxima PLC, 2Ergo PLC and Calyx.

Over the last 7 years, Ian has also been a consultant to the Guernsey Investment Fund.

The opportunity has now arisen to consolidate a number of investments into Tialis, realising synergies and enabling a greater focus. Accordingly, shareholder approval may be sought for follow on investments as they are traded into Tialis.

Ian Smith said: "This is an amazing opportunity for Tialis to accrete shareholder value today and for the future. The chance to manage a pool of permanent capital and assets, leverage the cashflow from those into dividends and create further capital growth was too good to miss. I have a long track record of delivering value in this sector and intend to do it again but this time from a higher starting point. It is my intention to build on my share ownership of the Company for the foreseeable future".

### **Issue of Equity and Total Voting Rights**

Application will be made to the London Stock Exchange for the admission of 2,631,134 Ordinary Shares to trading on AIM ("Admission"). It is expected that Admission will become effective and dealings in the new Ordinary Shares will commence on or around 7 July 2025.

The new Ordinary Shares will be issued fully paid and will rank pari passu in all respects with the Company's existing Ordinary Shares.

Following Admission, the total number of Ordinary Shares in the capital of the Company in issue will be 27,166,211. As the Company does

not currently hold any Ordinary Shares in treasury, the total number of voting rights in the Company following Admission will be 27,166,211. This figure may be used by Shareholders, from Admission, as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change in their interest in, the share capital of the Company under the FCA's Disclosure and Transparency Rules.

#### Related Party Transaction

Ian Smith, by virtue of being a director and significant shareholder of the Company and MXC, is considered to be a related party of the Company.

As such, both the acquisition by Tialis of the Digital Petcare loan from MXC and the CloudCoco equity share swap, constitute related party transactions for the purposes of Rule 13 of the AIM Rules for Companies (together, the "Related Party Transactions").

The Directors of the Company (other than Ian Smith) consider, having consulted with Cavendish Capital Markets Limited, the Company's Nominated Adviser, that the terms of the Related Party Transaction are fair and reasonable insofar as the Company's shareholders are concerned.

Ian Smith is also the Chief Executive Officer and major shareholder of MXC. Following the above transactions, MXC's holding in Tialis is 21,085,819 Ordinary Shares representing 77.62% of the Company's issued ordinary share capital. Mr Smith's direct beneficial interest in the Company is 647,166 Ordinary Shares, which represents 2.38% of the Company's issued ordinary share capital. Ian and MXC hold in aggregate 21,732,985 Ordinary Shares, representing 80.00% of the Company's issued ordinary share capital.

Further details of the PDMR dealing are included below. This information has been provided in accordance with Article 5(1)(b) of the Market Abuse Regulation (EU) No 596/2014 which is part of UK law by virtue of the European Union (Withdrawal) Act 2018.

#### For more information, contact:

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#### NOTIFICATION AND PUBLIC DISCLOSURE OF TRANSACTIONS BY PERSONS DISCHARGING MANAGERIAL RESPONSIBILITIES AND PERSONS CLOSELY ASSOCIATED WITH THEM

1	Details of the person discharging managerial responsibilities/person closely associated		
a)	Name	Ian Smith	
2	Reason for the notification		
a)	Position/status	Director	
b)	Initial notification/ Amendment	Initial Notification	
3	Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor		
a)	Name	Tialis Essential IT plc	
b)	LEI	213800HA4PK7BHINK929	
4	Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted		
a)	Description of the financial instrument, type of instrument	Ordinary Shares of 1p each	
	Identification code	GB00BN4M3M55	
b)	Nature of the transaction	Acquisition of 2,631,134 ordinary shares	
c)	Price(s) and volume(s)	Price(s)	Volume(s)
		64 pence	2,631,134
d)	Aggregated information - Aggregated volume - Price	1. Exchange of MXC loan in Digital Petcare for Tialis shares  2,320,313 share volume at 64p = £1,485,000  2. Exchange of MXC equity holding in CloudCoCo plc for Tialis Shares	

		310,821 share volume at 64p = £198,926
e)	Date of the transaction	30 June 2025
f)	Place of the transaction	London, AIM

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