

28 August 2025

**Cykel AI PLC**  
("Cykel AI", the "Company" or the "Group")

**Fundraise to raise £2.8 million**  
**Amendments to Digital Asset Treasury Policy**  
**Appointment of Broker**  
**Proposed Share Restructure**  
**Proposed Future Fundraising**  
**Total Voting Rights**

Cykel AI (LSE: CYK) is a Main Market listed company which offers an AI agent platform that enables businesses to automate tasks through the use of specialised digital workers for sales, recruitment and research. The board is pleased to announce a new strategic fundraising and amendments to the previously announced treasury reserve (as announced on 28 May 2025).

**Fundraise with Strategic Investor**

Cykel AI's current projects relate to AI agents. The Company has launched Lucy, Eve and Samson in 2025 and continues to grow the user base for these agent products. The Company intends to expand the capabilities of the AI agents on offer as well as continue to invest in the existing portfolio.

To ensure that Cykel AI is well placed to execute its projects, the Company has agreed a £2.8m gross fundraise via a subscription for pre-paid warrants (the "**Fundraise**") by a group of strategic investors including DeFi Development Corp (the "**Investors**") into the Company.

In connection with the Fundraise, the Company has conditionally agreed to issue pre paid warrants over 2,333,333,333 ordinary shares of £0.01 in the capital of the Company ("**Ordinary Share**") with a term of five years to the Investors, with an exercise price of £0.0012 per Ordinary Share (the "**Pre-Paid Warrants**").

The Pre-Paid Warrants are only exercisable to the extent that the Investors (and any person that may be acting in concert with them) does not, as a result of any exercise in full or in part of the Pre-Paid Warrants, acquire an interest in more than 29.99% of the Company's issued Ordinary Share capital at any time.

The issue of the Pre-Paid Warrants is subject to, inter alia, approval by shareholders to authorise the directors of the Company to allot and issue the Ordinary Shares and to restructure the share capital of the Company so as to (a) split each existing ordinary share of £0.01 into one ordinary share of £0.001 and one deferred share of £0.009 and (b) consolidate 100 ordinary shares of £0.001 into one new ordinary share of £0.10 ("**New Ordinary Share**") (together being the "**Share Restructure**"). The Share Restructure will result in there being Pre-Paid Warrants over 23,333,333 New Ordinary Shares exercisable at £0.12 per share.

The Pre-Paid Warrants shall not capable of exercise until, among other conditions, the publication by the Company of a prospectus and shareholder approvals.

**Investor Warrants**

As part of the Fundraise, and conditional on shareholder approval, the Investors will also be issued with 23,333,333 cash warrants over New Ordinary Shares (the "**Investor Warrants**") with a term of five years and an exercise price per share at a 10% premium to the price per share in the proposed future fundraising referred to below (the "**Exercise Price**").

The Investor Warrants will only be convertible to the extent that the Investors and persons that may be acting in concert with them do not, as a result, acquire interests in more than 29.99% of the Company's issued ordinary share capital at any time.

The Pre-Paid Warrants and the Investor Warrants will not be capable of exercise until the relevant conditions have been satisfied. If the conditions have not been satisfied by 31 November 2025, the Pre-Paid Warrants and the Investor Warrants will expire and be cancelled and the deposit for the Pre-Paid Warrants will be repaid (less pre-agreed contributions to transaction costs).

**Appointment of Fortified Securities**

The Fundraise has been arranged by Fortified Securities. As a condition of the Fundraise, Fortified Securities has been retained as the lead broker to the Company.

**Equity Placement Agreement**

As a condition of the Fundraise, the Company will enter into an equity placement agreement ("**EPA**") pursuant to which Fortified Securities will be mandated to sell shares held by a nominee (the "**Nominee**"), with the net proceeds being distributed to the Company.

The initial tranche of the EPA facility relates to 26,212,401 Ordinary Shares (or 262,124 New Ordinary Shares) ("**EPA Shares**"), being the total number of shares that the Company is able to issue without publishing a prospectus under the UK Prospectus Regulation Rules. Further share authority for the EPA will be sought at the general meeting to approve the Fundraise and Share Restructure.

Under the EPA, Fortified Securities will use reasonable endeavours to sell the EPA Shares subject to, among others, the following restrictions:

- It will sell no more than 20% of the volume of the traded on the Main Market in a calendar week; and
- within pricing parameters agreed with the Company.

## **Proposed future fundraising**

Subject to completion of the Fundraise, it is the intention of the Company and the Investors that Cykel AI raises not less than £10,000,000 to further support its strategy, such fundraising to be at a price per share not less than the exercise price of the Pre-Paid Warrants. There is no guarantee that this future fundraising will occur or be successful.

## **General Meeting**

Separate to the annual general meeting, the Company will shortly be convening a general meeting to seek shareholder approval to authorise the Directors to issue the Pre-Paid Warrants and Investor Warrants free of pre-emption rights and to effect the Share Restructure.

The Investors intend to participate actively in the future growth of, and significant capital raisings by, the Company using their extensive network in conjunction with Fortified Securities, the Company's newly appointed lead broker. The Investors have agreed to progress and support the Company's current projects whilst, at the same time, establishing further AI agent projects, whilst ensuring an effective implementation of the newly amended treasury policy further described below.

Once the subscriptions for the Pre-Paid Warrants and Investor Warrants (the "**Warrant Subscriptions**") become unconditional and the relevant subscription monies are received from the Investors by the Company, the Investors will have the right to nominate for appointment two directors to the board of the Company, subject to the completion of standard due diligence. These directors are expected to have expertise in digital assets and associated treasury policy.

The Investors have agreed to enter into a relationship agreement with the Company prior to completion of the Warrant Subscriptions in order to ensure that the Company can operate independently of the Investors.

## **Amendment of existing digital asset treasury policy to be a Solana focused treasury policy**

In conjunction with the Fundraise, the Board of the Company will be adopting a revised treasury policy to have a Solana focused digital asset treasury policy. The Company announced a BTC focused digital asset treasury policy on 28 May 2025 (the "**Treasury**").

Pursuant to this amended policy the Company will revise the Treasury so as to invest the majority of its cash in Solana and stablecoins (being mature coins which the Directors believe provide liquidity within the parameters of cash equivalency).

The Company will maintain a prudent and transparent approach to digital asset management. This strategy is intended to be implemented using the Company's proprietary capital in support of its operating business as developer of AI agents. The treasury policy does not involve the pooling of third-party funds or the operation of a collective investment undertaking.

The adoption of this revised treasury policy reflects the Directors' ongoing belief that digital assets, including Solana, offer a reliable store of value and act as a hedge against inflation while also at times providing the possibility of value uplift. It also aligns the Company with a number of other quoted companies within both the digital assets sector as well as beyond.

Solana is the sixth largest cryptocurrency in the world by market capitalisation (market price multiplied by circulating coin supply) and is the platform used by various other altcoins. Solana has recently been subject to an approved exchange traded fund (ETF) in the United States. Further, Solana enables the potential for passive-yields from proof of stake activities, providing both a capital asset and an income producing asset.

The treasury policy requires the Company to hold no less than 12 months' working capital in cash at all times and will review the operational parameters of the treasury policy on a regular basis to ensure the Company maintains appropriate liquidity to perform its business operations.

## **Use of Proceeds**

The net proceeds of the Fundraise will be primarily used to progress the development of the Company's current projects and for general working capital purposes and will be predominantly held in accordance with its treasury policy.

## **Admission to Trading and Total Voting Rights**

Application will be made to the London Stock Exchange for the ordinary shares to be admitted to trading on the Main Market of the London Stock Exchange Plc ("**Admission**") with respect to the EPA Shares. It is expected that Admission will become effective at 8:00 a.m. on or around 4 September 2025. The EPA Shares will rank *pari passu* with the existing Ordinary Shares.

Following Admission, the total issued share capital of the Company will be 516,745,977 Ordinary Shares, with no shares held in Treasury. Therefore, the total current voting rights in the Company following Admission will be 516,745,977 and this figure may be used by shareholders in the Company 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 Guidance and Transparency Rules.

## **Ewan Collinge, CEO and Co-Founder of Cykel AI commented:**

"This raise is a hugely exciting moment for Cykel as we take the business into its next phase of growth. With new strategic investors and a Solana-focused treasury strategy, we will have the resources and conviction to build a market-leading agent business at the intersection of AI and digital assets. Together with the team at DeFi Development Corp, we are confident in our ability to seize these opportunities and establish a unique position in the market."

**\*ENDS\***

**For further information:**

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*The 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 as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended by virtue of the Market Abuse (Amendment) (EU Exit) Regulations 2019.*

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