

12 September 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")

Notice of General Meeting, Related Party Transaction and Issue of Voting Rights

Tialis (**AIM: TIA**), the mid-market IT managed services provider, announces that a Notice of General Meeting ("GM Notice") and Form of Proxy are being posted to shareholders.

The Company's general meeting will be held on 3 October 2025 at the offices of Cavendish Capital Markets Limited, 1 Bartholomew Close, London EC1A 7BL at 10:00 a.m.

A copy of the GM Notice can be found on the Company's website at www.tialis.com.

The GM Notice is accompanied by a Letter from the Executive Director, Ian Smith, which is set out below.

For more information, contact:

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Ian Smith, Executive Director

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Nominated Adviser and Broker

Corporate finance: Jonny Franklin-Adams/ Elysia Bough

Corporate Broking: Tim Redfern

Introduction and summary

Tialis Essential IT plc (the "**Company**", the "**Group**", or "**Tialis**") today announced that it had signed a conditional share and purchase agreement with MXC JV Limited ("**MXC JV**") for the acquisition of a 50 per cent. investment stake in MXLG Acquisitions Limited ("**MXLG**"), a joint venture between MXC JV and Liberty Global Europe 2 Limited (the "**Acquisition**").

MXC JV is jointly owned in equal proportions by MXC Guernsey Limited ("**MXC Guernsey**") and Guernsey Investment Fund PCC Limited - GLF Technology and Innovation Cell.

Liberty Global Europe 2 Limited is a wholly owned subsidiary of Liberty Global Plc the world's largest international TV and broadband company.

The Company also announced (i) the proposed conversion of the unsecured convertible loan notes issued to MXC Guernsey in 2024 (the "**Conversion**") and (ii) the settlement of the deferred consideration payable in respect of the Allvotec acquisition in 2023 to Daisy Intermediate Holdings Limited.

The directors of the Company (the "**Board**") require the shareholders to provide them with authority to allot ordinary shares of £0.01 each ("**Ordinary Shares**") and to dis-apply statutory pre-emption rights which would otherwise apply to the allotment and issue of new Ordinary Shares in connection with the Acquisition, the Conversion and the settlement of the deferred consideration in respect of the Allvotec acquisition.

I am therefore writing to you with details of the General Meeting (the "**GM**") of the Company which we are holding at the offices of Cavendish Capital Markets Limited, 1 Bartholomew Close, London, EC1A 7BL on 3 October 2025 at 10.00 a.m.

The purpose of this document is to: (i) provide you with information about the background to and the reasons for the Acquisition and to explain why the Board considers the Acquisition to be in the best interests of the Company and its shareholders as a whole; (ii) provide you with information on the Conversion and the deferred consideration payable in respect of the Allvotec acquisition; and (iii) explain why the directors of the Company (the "Directors") recommend that you vote in favour of the Resolutions (as defined below) to be proposed at the GM.

The Acquisition

Following on from the announcement made on 1 July 2025, and in line with its stated strategy of delivering growth through acquisitions of targets it considers synergistic, to deepen its service offerings, Tialis is pleased to announce that it has signed a conditional sale and purchase agreement with MXC JV and Tialis Essential IT Investments

that it has signed a conditional sale and purchase agreement with MXC JV and Tialis Essential IT Investments Limited in relation to the proposed acquisition of a 50 per cent. investment stake in MXLG. The Acquisition is conditional upon receipt from Santander UK plc ("**Santander**") of its consent to the Acquisition, as required pursuant to the terms of the Company's debt arrangements with Santander.

The consideration payable in respect of the proposed acquisition is £7.15m which will be settled by the allotment and issue to MXC JV of 9,533,333 new Ordinary Shares in the capital of Tialis (the "**Consideration Shares**"). The Consideration Shares were calculated using 75p per new Ordinary Share, being the mid-market closing price of Tialis on 10 September 2025.

MXLG is a joint venture between MXC JV and Liberty Global Europe 2 Limited, established to create a leading IT services provider focused on the UK SME sector through a programme of targeted, strategic acquisitions. To date, MXLG has acquired Koris Communications Group Limited (now trading as Koris365), 365 ITMS Limited, and Converged IT Limited, with each business adding distinct expertise and service depth to the group's offering. These acquisitions have been financed through a combination of shareholder equity and a senior debt facility with the Royal Bank of Scotland, ensuring a robust and flexible capital structure.

Koris365 is the central pillar of the MXLG group, delivering managed communication solutions across on-premise, hybrid, private cloud, and cloud platforms, and holding specialist knowledge in Mitel telephony and Microsoft Skype for Business technologies. This breadth enables Koris365 to fulfil a wide range of unified communications and collaboration requirements for its customers.

In April 2025, Koris365 entered a restructuring phase, resulting in improved trading performance. Tialis notes that integrating Koris365's operations into the established Tialis systems and processes presents further opportunities for synergy and efficiency across the enlarged Group.

The acquisition of a 50 per cent. investment stake in MXLG represents a strategic opportunity for Tialis and its shareholders. Through this transaction, Tialis will benefit from operational synergies and enhanced cross-selling potential, delivering greater efficiency, broader capability, and improved profitability for the Group as a whole. Partnering with established market participants also enables Tialis to effectively manage expansion risk and position itself to meet the evolving needs of the UK SME IT services market.

For the year ended 31 December 2024, MXLG reported revenue of £28.2m, gross profit of £10.1m, adjusted EBITDA of £1.9m and a loss before tax (pre extraordinary items) of £0.5m. Following a recent restructuring and cost optimisation at MXLG, the trading EBITDA run rate in December 2025 is expected to be approximately £2.7m. Due to being structured as a joint venture, Tialis's proposed holding of 50 per cent. of MXLG will not be consolidated within Tialis's accounts but will be treated as a joint venture under the appropriate accounting treatment.

The MXC Guernsey Unsecured Convertible Loan Notes

The Company announced on 10 September 2024, that it had granted to MXC Capital (via its subsidiary, MXC Guernsey) £300,000 of unsecured convertible loan notes with an annual compounded interest rate of 15 per cent. and a fixed conversion price of 40 pence. The Company understands that MXC Guernsey intends to convert the £300,000 drawn down under the loan notes together with all accrued but unpaid interest totalling, in aggregate, £348,162 into new Ordinary Shares in the Company. This will result in the allotment and issue of 870,405 new Ordinary Shares (the "**Loan Note Shares**") to MXC Guernsey.

The Allvotec Acquisition - Deferred Consideration

Leveraging on the continued success of the Allvotec acquisition in 2023, Tialis was able to agree renewals and extensions of existing contracts. As a result, the deferred consideration payable in connection with the Allvotec acquisition has increased to an amount of £1,637,918, which shall be settled pursuant to the agreement entered into for the purchase of the profitable partner contracts as agreed by the allotment and issue to Daisy Intermediate Holdings Limited of 2,339,883 new Ordinary Shares in the capital of Tialis at 70 pence per Ordinary Share (the "**Deferred Shares**"). The Deferred Shares together with the Consideration Shares and the Loan Notes Shares comprise the total number of new Ordinary Shares to be issued by Tialis (the "**New Ordinary Shares**"), being 12,743,621 Ordinary Shares.

Resultant Holdings and Total Voting Rights

Application will be made to the London Stock Exchange for the admission of the New 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 6 October 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 39,909,832 (the "**Enlarged Issued Share Capital**"). 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 39,909,832. 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.

Ian Smith is also the Chief Executive Officer and major shareholder of MXC. MXC Guernsey is a wholly-owned subsidiary of MXC Capital. The indirect interest of MXC Capital in Tialis following the allotment and issue of the Loan Notes Shares to MXC Guernsey and half the Consideration Shares to MXC JV (the other half of the Consideration Shares will be issued to the Guernsey Investment Fund PCC Limited) will be 26,722,891 Ordinary Shares, representing 67.0 per cent. of the Enlarged Issued Share Capital. Mr Smith's direct beneficial interest in the Company is 647,166 Ordinary Shares, which represents 1.6 per cent. of the Enlarged Issued Share Capital. Ian and MXC hold in aggregate 27,370,057 Ordinary Shares, representing 68.6 per cent. of the Company's Enlarged Issued Share Capital.

Related Party Transaction

MXC Guernsey and MXC JV are deemed to be related parties of the Company pursuant to the AIM Rules for Companies because MXC Guernsey is a substantial shareholder in Tialis and because Ian Smith, is a director of MXC Guernsey, Tialis and MXC Capital as well as substantial shareholder of MXC Capital. As such, the acquisition by Tialis of shares in MXLG from MXC JV constitutes a related party transaction for the purposes of Rule 13 of the AIM Rules for Companies. 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 proposed acquisition are fair and reasonable insofar as the Company's shareholders are concerned.

Settlement and dealings

Application will be made to the London Stock Exchange plc for the New Ordinary Shares to be admitted to trading on AIM ("**Admission**"). It is expected that Admission will occur at 8.00 a.m. on 6 October 2025.

The New Ordinary Shares will rank pari passu in all respects with the existing Ordinary Shares in the Company.

including the right to receive all dividends and other distributions declared, made or paid on the existing Ordinary Shares on or after Admission. The total number of issued Ordinary Shares in the Company on Admission will be confirmed by the Company via an announcement once the exact number of Consideration Shares to be allotted has been determined.

The New Ordinary Shares will represent approximately 31.9 per cent. of the Enlarged Issued Share Capital.

Resolutions

The Directors do not currently have sufficient authority to allot the New Ordinary Shares. Accordingly, the Directors are seeking the approval of shareholders at the GM to allot the New Ordinary Shares. You will find set out at the end of this document a Notice of General Meeting of the Company to be held at the offices of Cavendish Capital Markets Limited, 1 Bartholomew Close, London, EC1A 7BL on 3 October 2025 at 10.00 a.m. at which the following resolutions (the "Resolutions") will be proposed:

Resolution 1

Resolution 1 will be proposed as an ordinary resolution. This means that for this resolution to be passed, at least fifty per cent. of the votes cast must be in favour of the resolution.

Resolution 1 relates to the authorisation for the directors to allot New Ordinary Shares in connection with the Acquisition, the Conversion and the settlement of the deferred consideration in respect of the Allvotec acquisition with a maximum nominal value of £127,437 this being an amount equal to approximately 31.9 per cent. of the Enlarged Issued Share Capital, being the latest practicable date prior to the publication of the Notice. This authority will expire on the earlier of 15 months after the passing of the resolution or, if earlier, on the conclusion of the annual general meeting of the Company to be held in 2026.

Resolution 2

Resolution 2 is proposed as a special resolution. This means that for this resolution to be passed, seventy five per cent. or more of the votes cast must be in favour of the resolution.

Resolution 2, which is conditional upon the passing of resolution 1, deals with the disapplication of shareholder statutory pre-emption rights (which require a company to offer new shares for cash first to existing shareholders in proportion to their holdings) in order to permit the directors to allot the 12,743,621 New Ordinary Shares in connection with the Acquisition, the Conversion and the settlement of the deferred consideration in respect of the Allvotec acquisition (such New Ordinary Shares representing up to approximately 31.9 per cent. of the Enlarged Issued Share Capital). This authority will expire on the earlier of 15 months after the passing of this resolution or, if earlier, on the conclusion of the annual general meeting of the Company to be held in 2026.

Recommendation

The Directors consider that the Resolutions are in the best interests of the Company and would promote the success of the Company for the benefit of its Shareholders as a whole. Accordingly, the Directors unanimously recommend that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting.

Ian Smith

Executive Director

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