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28 November 2025

Sancus Lending Group Limited  
("Sancus", the "Company" or the "Group")

Proposed Tender Offer for, and  
amendments to the terms of the, ZDP Shares  
Related Party Transactions  
and  
Trading Update

Sancus Lending Group Limited (AIM: LEND) announces proposals to further simplify its capital structure through a tender offer for its existing zero dividend preference shares ("ZDP Shares") and related amendments to the rights attaching to the ZDP Shares and a trading update. The proposals, which are more fully described in a circular to ZDP Shareholders and Ordinary Shareholders to be published later today (the "Circular"), are subject to approval at shareholder meetings to be held at the Company's registered office, Suite 1, First Floor, Windsor House, Lower Pollet, St. Peter Port, Guernsey, GY1 1WF, Channel Islands on 19 December 2025, commencing respectively at 10.00 a.m. and 10.05 a.m.

#### Proposed enhancement to Capital Structure

The Company is proposing to launch a tender offer to acquire up to 1,700,000 ZDP Shares, representing approximately 52 per cent. of the issued ZDP Shares (excluding ZDP Shares held in treasury), at a tender price of 120.00 pence per ZDP Share (the "Tender Offer"). ZDP Shareholders (other than Restricted Shareholders and certain Overseas Shareholders) may elect to receive the Tender Price either in cash (the "Cash Option") or in new Ordinary Shares in the capital of the Company (the "Ordinary Shares Option"), in each case on the terms and subject to the conditions set out in the Circular.

Concurrently with the Tender Offer, the Company is proposing amendments to the terms of the ZDP Shares (the "ZDP Amendments") by way of the adoption of new articles of incorporation (the "New Articles"), which will remove certain historic restrictions on the Company while preserving the existing ZDP maturity date of 5 December 2030 and the final capital entitlement of 209.90 pence per ZDP Share (the "Final Capital Entitlement"). Following implementation of the Tender Offer and ZDP Amendments, the Board expects the Group to benefit from a simpler capital structure with a reduced Final Capital Entitlement and increased operational and financing flexibility.

The Circular (including the Notice of the ZDP Class Meeting and the Extraordinary General Meeting), Tender Form and Forms of Proxy will be posted to Ordinary Shareholders and ZDP Shareholders later today and will also be available on the Company's website at: <https://corporate.sancus.com/investor-relations/>.

#### Trading Update

Since the Company's results for the 6 months ended 30 June 2025, the Company has continued to trade in line with the Board's expectations.

In the ten months to 31 October 2025 the Group generated revenues of £16.7 million versus £13.4 million

in the ten months to 31 October 2024. In the ten months to 31 October 2025, the Group wrote £146.7 million of new loan facilities versus £75.6 million in the ten months to 31 October 2024. As at 31 October, loans under management were £301 million (31 October 2024: £209.7 million). The Company continues to experience stable credit quality. Notwithstanding that the Group's UK and Channel Islands business continue to operate in an uncertain market environment the Board is confident of achieving further growth in its loan volumes and revenues for the remainder of 2025 as it continues to work towards achieving long term operating profitability.

### **Details of the Tender Offer**

Under the Tender Offer, each eligible ZDP Shareholder whose name appears on the register at 6.00 p.m. on 17 December 2025 (the "**Record Date**") will be entitled to tender up to 100 per cent. of their ZDP Shareholding at the Tender Price (their "**Tender Entitlement**"). ZDP Shareholders who successfully tender ZDP Shares will receive the Tender Price per ZDP Share either in cash under the Cash Option or via the issue of new Ordinary Shares under the Ordinary Shares Option, with the Ordinary Shares to be issued at a price equal to the volume weighted average of the mid market prices of the Ordinary Shares for the five Business Days prior to the date of the Circular, being 0.4066 pence per Ordinary Share.

The maximum number of ZDP Shares that the Company will be obliged to purchase pursuant to the Tender Offer is 1,700,000 with any ZDP Shares purchased to be cancelled. The Tender Offer is conditional, *inter alia*, on the passing of the requisite shareholder resolution at the Extraordinary General Meeting ("**EGM**") authorising the Company to acquire ZDP Shares offmarket, the Board being satisfied that the Company will meet the statutory solvency test under Guernsey company law immediately following completion, and the Tender Offer not having been terminated in accordance with the terms set out in the Circular.

### **ZDP Amendments**

The ZDP Amendments will be implemented through the adoption of the New Articles, which will set out the revised rights attaching to the ZDP Shares with effect from the date of approval at the EGM (the "**ZDP Amendment Resolution**"). Under the New Articles, the ZDP Shares will: (i) continue to provide a right to be redeemed on 5 December 2030 at the Final Capital Entitlement of 209.90 pence per ZDP Share (subject to the solvency test under Guernsey company law); and (ii) continue not to accrue any further capital growth, reflecting changes approved earlier in June 2025.

Certain historic protections which currently restrict the Company's ability, without prior ZDP Shareholder approval, to undertake specified corporate and financing actions (including, among other things, incurring certain levels of borrowings, issuing share capital ranking ahead of or pari passu with the ZDP Shares, and effecting certain capital reductions) will be removed, as described in detail in Part 1 and Part 3 of the Circular. The Board believes that, given the expected reduction in the number of ZDP Shares in issue and the corresponding reduction in the aggregate Final Capital Entitlement, these restrictions are no longer appropriate and that the ZDP Amendments are in the best interests of the Company and its shareholders as a whole.

### **Shareholder meetings and timetable**

Implementation of the Tender Offer and the ZDP Amendments is subject to the approval of ZDP Shareholders at a class meeting (the "**ZDP Class Meeting**") and of Ordinary Shareholders and ZDP Shareholders at the EGM (together, the "**Meetings**"). The ZDP Class Meeting has been convened for 10.00 a.m. on 19 December 2025, to be followed by the EGM at 10.05 a.m. (or as soon thereafter as the ZDP Class Meeting has been concluded or adjourned), in each case at the Company's registered office, Suite 1, First Floor, Windsor House, Lower Pollet, St. Peter Port, Guernsey, GY1 1WF, Channel Islands.

The latest time and date for receipt of forms of proxy for the ZDP Class Meeting is 10.00 a.m. on 17 December 2025 and for the EGM is 10.05 a.m. on 17 December 2025, and the latest time and date for receipt of Tender Forms and associated share certificates (or other documents of title) in respect of the Tender Offer is 1.00 p.m. on 17 December 2025. Subject to the Conditions being satisfied, the Tender Offer is expected to close at 1.00 p.m. on 17 December 2025, with the results of the Meetings and the total number of ZDP Shares validly tendered expected to be announced on 19 December 2025 and settlement of consideration (cash and/or new Ordinary Shares) to occur on or around 22 December 2025.

### **Related Party Transactions**

Somerston Fintech Limited ("**Somerston Fintech**"), a member of Somerston Group Limited (together, "**Somerston**"), is a Substantial Shareholder in the Company and is therefore a related party for the purposes of the AIM Rules for Companies ("**AIM Rules**"). Somerston has undertaken to tender all of its ZDP Shares under the Tender Offer, electing for the Ordinary Shares Option, and to vote in favour of all resolutions to be proposed at the Meetings, with Somerston Fintech's tender to be subject to scaling back to ensure that non Somerston ZDP Shareholders are able to achieve a full exit under the Tender Offer.

Somerston Fintech's participation in the Tender Offer and the ZDP Amendments in respect of the ZDP Shares held by Somerston Fintech each constitute related party transactions under AIM Rule 13, in respect of which the Independent Directors, having consulted with the Company's nominated adviser, Shore Capital and Corporate Limited ("**Shore Capital**"), consider the terms to be fair and reasonable

insofar as Ordinary Shareholders are concerned.

*Capitalised terms used in this announcement shall, unless defined in this announcement or unless the context provides otherwise, bear the same meaning ascribed to such terms in the Circular.*

**Rory Mepham, Chief Executive Officer of Sancus, commented:**

*'These proposals mark another important step in simplifying our capital structure and enhancing the Group's financial flexibility. The Tender Offer provides an opportunity for ZDP Shareholders to realise value on attractive terms, while the proposed amendments will give the Group greater flexibility to support its expanding loan book. Trading remains robust and, with continued momentum across our markets, we are confident that these changes will support Sancus in delivering sustainable progress for all stakeholders.'*

For further information, please contact:

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Keith Lawrence, Chief Financial Officer

**Shore Capital (Nominated Adviser and Broker)** **+44 (0)20 7408 4050**  
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Charlotte Sanders  
Gwen Norman

**LETTER FROM THE CHAIRMAN OF SANCUS CONTAINED IN THE CIRCULAR**

**1 Introduction**

Earlier today, the Company announced Proposals to further simplify its capital structure. The Company is proposing to make a Tender Offer for up to 1.7 million ZDP Shares, being equal to approximately 52 per cent. of the issued ZDP Shares (excluding ZDP Shares held in treasury) at a Tender Price of 120 pence per ZDP Share (the "**Tender Price**") (the "**Tender Offer**"). In the Tender Offer, tendering ZDP Shareholders may choose to receive the Tender Price in cash (the "**Cash Option**") or alternatively to receive new Ordinary Shares of equivalent value (the "**Ordinary Shares Option**").

Given what is expected to be a significant reduction in the number of ZDP Shares in issue following the Tender Offer and also as a result of recent tender offers and buybacks by the Company, the Company is also proposing amendments to the terms of the ZDP Shares to remove certain restrictions on the Company (the "**ZDP Amendments**" and, together with the Tender Offer, the "**Proposals**").

The Proposals have the support of Somerston Group, the Company's largest Shareholder. Somerston Fintech is entitled to vote on the Proposals at the Meetings and has undertaken to vote in favour of all Resolutions. Somerston Fintech has also undertaken to accept the Tender Offer in full, for the Ordinary Shares Option. As Somerston Fintech's holding of ZDP Shares exceeds the maximum number of ZDP Shares in respect of which the Tender Offer is being made, its tender will, if required, be scaled back to allow non-Somerston ZDP Shareholders a full exit of their investment in ZDP Shares at the Tender Price.

These proposals are intended to further simplify the Company's capital structure and enhance its corporate flexibility, including to significantly reduce and manage the Company's future obligation to pay the Final Capital Entitlement in respect of the ZDP Shares, and remove restrictions on the Company that were established when the ZDP Shares were first issued.

The Tender Offer requires the approval of Ordinary Shareholders at the Extraordinary General Meeting. The ZDP Amendments require the approval of both Ordinary Shareholders and ZDP Shareholders at the Meetings.

The purpose of this document is to provide Ordinary Shareholders and ZDP Shareholders with details of the Proposals and set out the reasons why the Independent Directors recommend that you vote in favour of the Proposals. As a holder of both Ordinary Shares and ZDP Shares, Somerston Fintech is entitled to vote on the Proposals and has irrevocably undertaken to vote in favour of the Resolutions, so each of the Resolutions is expected to be passed.

This document also contains the terms and conditions of the Tender Offer, together with details of how ZDP Shareholders can tender ZDP Shares in consideration for Ordinary Shares or a cash Tender Price, if they wish and are eligible to do so.

**2 Company overview and trading update**

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On 4 September 2025, the Company published its unaudited interim results for the six months ended 30 June 2025. The interim results are available on the Company's website (<https://corporate.sancus.com/>) and some highlights are extracted below.

"The Group has had an encouraging start to 2025. In the first half of the year our residential lending businesses in the UK and Ireland, along with our Channel Islands property lending joint venture, have all made further progress in strengthening their market positions and operating platforms. This allowed us to achieve a 9 per cent. increase in Assets Under Management ("AUM") to £258.8 million (31 December 2024):

£237.6 million; 30 June 2024: £209 million) and deliver Group revenue of £9.7 million, a 29 per cent. increase on revenue of £7.5 million in H1 2024. We have reported a profit before tax of £0.1 million compared to a loss before tax of £(0.6 million) in H1 2024, supported by a gain of £1.0 million from the buy-back of ZDP shares."

Since release of its interim results, the Company has continued to trade in line with the Board's expectations.

In the ten months to 31 October 2025 the Group generated unaudited revenues of £16.7 million (compared with £13.4 million in the ten months to 31 October 2024) and wrote £146.7 million of new loan facilities (compared with £75.6 million in the ten months to 31 October 2024). As at 31 October 2025, loans under management were £301 million (31 October 2024: £209.7 million). The Company continues to experience stable credit quality. Notwithstanding that the Group's UK and Channel Islands business continue to operate in an uncertain market environment, the Board is confident of achieving further growth in its loan volumes and revenues for the remainder of 2025 as it continues to work towards achieving long term operating profitability.

### 3 The Tender Offer

#### 3.1 *Background to the Tender Offer*

The Tender Offer is being made for up to 1,700,000 ZDP Shares, being equal to approximately 52 per cent. of the Company's issued ZDP Shares (excluding those ZDP Shares held in treasury).

Each ZDP Shareholder (other than Restricted Shareholders and certain Overseas Shareholders as explained in paragraph 11 of Part 2 of this document) may elect to sell up to 100 per cent. of their ZDP Shareholding.

Somerston Fintech has undertaken to accept the Tender Offer in full, for the Ordinary Shares Option. As Somerston Fintech's holding of ZDP Shares exceeds the maximum number of ZDP Shares in respect of which the Tender Offer is being made, its tender will be scaled back to allow non-Somerston ZDP Shareholders a full exit of their investment in ZDP Shares at the Tender Price.

The Tender Offer is being made at the Tender Price of 120.00 pence per ZDP Share. This is the same price as was offered in the tender offer made in June 2025. The Tender Price represents approximately 57 per cent. of the Final Capital Entitlement of 209.90 pence. To the extent that tendering ZDP Shareholders elect for the Cash Option, the Tender Offer is being funded by the Company's existing cash reserves. Given Somerston's irrevocable undertaking to elect for the Ordinary Shares Option, such a cash amount is not expected to exceed £121,000.

For the purpose of calculating the number of new Ordinary Shares to be issued in satisfaction of the Tender Price, Ordinary Shares will be issued at a price equal to the volume-weighted average of the mid-market prices of the Ordinary Shares for the five Business Days before the date of this document being 0.4066 pence per Ordinary Share.

The Tender Offer is being made for the benefit of the ZDP Shareholders so that they can take advantage of or, if they wish and are eligible, exchange their investment in ZDP Shares for an investment in Ordinary Shares or cash. Ordinary Shareholders will benefit from the Tender Offer as a gain will be

booked, in the financial accounts of the Group, on purchases made between the price paid and the book value of the ZDP Shares.

ZDP Shareholders are not obliged to tender any of their ZDP Shares and, if they do not wish to do so, they should not complete and return a Tender Form. Ordinary Shareholders may not participate in the Tender Offer.

#### 3.2 *Details of the Tender Offer*

The Tender Offer enables those ZDP Shareholders (other than Restricted Shareholders and certain Overseas Shareholders) who wish to sell some or all of their ZDP Shares to elect to do so, subject to the overall limits of the Tender Offer. ZDP Shareholders who successfully tender ZDP Shares will receive the Tender Price per ZDP Share either in cash, if they choose the Cash Option, or by the issue to them of new Ordinary Shares, if they choose and are eligible for the Ordinary Shares Option.

Under the terms of the Tender Offer, ZDP Shareholders (other than Restricted Shareholders and certain Overseas Shareholders) will be entitled to tender up to their Tender Entitlement, being 100 per cent. of the ZDP Shares they hold as at the Record Date in respect of non-Somerston ZDP Shareholders, or in the case of Somerston 1,700,000 ZDP Shares as reduced by the number of

Shareholders, or in the case of Somerston 1,750,000 ZDP Shares as reduced by the number of ZDP Shares validly tendered by non-Somerston ZDP Shareholders.

Subject to the satisfaction of the Conditions relating to the Tender Offer, the Company will purchase ZDP Shares validly tendered under the Tender Offer at the Tender Price by way of an off-market transaction. Any ZDP Shares which the Company acquires from validly tendering ZDP Shareholders will be cancelled. The repurchase will be made in accordance with the conditions set out in Resolution 1 to be proposed at the EGM, including maintaining compliance with the Cover Test.

The Tender Offer is subject to the conditions set out in paragraph 3 of Part 2 of this document. The Tender Offer may be terminated in certain circumstances as set out in paragraph 9 of Part 2 of this document. ZDP Shareholders' attention is drawn to Part 2 of this document, which (together with the Tender Form) set out the terms and conditions of the Tender Offer, and to Part 4 of this document which contains a summary of certain risks associated with the Tender Offer and the Proposals more broadly. Details of how ZDP Shareholders will be able to tender ZDP Shares can be found in paragraph 5 of Part 2 of this document.

As a matter of Guernsey Companies Law, the Board must be satisfied on reasonable grounds, before the repurchase may be undertaken, that the Company will satisfy the solvency test as prescribed under the Guernsey Companies Law immediately after the repurchase has been completed.

The Board will also need to consider if the financial position of the Company is expected to, or has, changed materially between the time of the authorisation of the repurchase and the actual time of the repurchase.

Currently, the Board is satisfied that the Company will satisfy the solvency test at the relevant time. However, if the Board ceases to be satisfied prior to completion of the Tender Offer that the Company will satisfy the above-mentioned solvency test immediately after the repurchase by the Company of the ZDP Shares from tendering ZDP Shareholders, then the repurchase will no longer be deemed to be authorised, and as a result, the Tender Offer will not proceed (or be capable of becoming unconditional) and the ZDP Shares will not be repurchased.

ZDP Shareholders should note that, once tendered, ZDP Shares may not be sold, transferred, charged or otherwise disposed of other than in accordance with the Tender Offer.

Shareholders who are in any doubt as to the contents of this document or as to the action to be taken should immediately consult their stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under FSMA.

At the Extraordinary General Meeting, Ordinary Shareholders will be asked to approve an ordinary resolution that will allow the implementation of the Tender Offer. If approved, the Company may continue to repurchase ZDP Shares from time to time under that authority, subject to the limits set out therein, including a maximum price equal to the Tender Price.

**This letter is not a recommendation for ZDP Shareholders to tender their ZDP Shares under the Tender Offer, or to elect for either the Cash Option or the Ordinary Shares Option.** Whether or not ZDP Shareholders tender their ZDP Shares, and, if so, elects for the Cash Option or the Ordinary Shares Option, will depend on, amongst other things, their view of the Company's prospects and their own individual circumstances, including their tax position, on which they should seek their own independent advice.

### 3.3 Overseas Shareholders and Restricted Shareholders

The making of the Tender Offer to persons outside the United Kingdom may be prohibited or affected by the laws of the relevant overseas jurisdictions. ZDP Shareholders with registered or mailing addresses outside the United Kingdom or who are citizens or nationals of, or resident in, a jurisdiction other than the United Kingdom should read carefully paragraph 11 of Part 2 of this document.

The Tender Offer is not being made to ZDP Shareholders who are resident in, or citizens of, Restricted Jurisdictions. Restricted Shareholders are being excluded from the Tender Offer in order to avoid offending applicable local laws relating to the implementation of the Tender Offer. Accordingly, copies of the Tender Form are not being and must not be mailed or otherwise distributed in or into Restricted Jurisdictions.

It is the responsibility of all Overseas Shareholders to satisfy themselves as to the observance of any legal requirements in their jurisdiction, including, without limitation, any relevant requirements in relation to the ability of such holders to participate in the Tender Offer.

## 4 The ZDP Amendments

### 4.1 Background to and reasons for the ZDP Amendments

The Company currently has two classes of Shares in issue: Ordinary Shares and ZDP Shares. The Ordinary Shares have been admitted to trading on AIM since August 2005. The ZDP Shares were issued in December 2014 and were traded on the main market of the London Stock Exchange between October 2015 and December 2024. As at the date of this document, the Company's issued share capital comprises 584,138,346 Ordinary Shares and 3,262,506 ZDP

The ZDP Shares are non-participating and non-voting (except in certain limited circumstances, including at the ZDP Class Meeting and on Resolution 2 at the Extraordinary General Meeting) but carry the right to the repayment of a Final Capital Entitlement on the ZDP Maturity Date. The ZDP Maturity Date is 5 December 2030, on which date the holders of ZDP Shares are entitled to receive from the Company 209.90 pence for each ZDP Share that they hold. The Final Capital Entitlement is to be paid by way of the redemption of the ZDP Shares, and under the Articles and applicable company law the Company may only redeem such Shares to the extent that the Board is comfortable that, after such redemption, the Company can satisfy the solvency test prescribed by Guernsey company law. In the event that the Company cannot redeem the ZDP Shares on the maturity date, the ZDP holders do not have any rights to force redemption.

Following the proposals adopted earlier in 2025, the ZDP Shares are not accruing any further capital growth, which should be considered by ZDP Shareholders when assessing whether to accept the Tender Offer.

The Company has, in the past, utilised available cash funds to acquire ZDP Shares (through on-market buybacks and tender offers) with a view to reducing the quantum of the Final Capital Entitlement. The Tender Offer is expected to significantly reduce that amount further.

Somerston Group, the Company's majority Ordinary Shareholder, is also a major ZDP Shareholder and has acquired further ZDP Shares in recent years as well as seeing its percentage holding of ZDP Shares increase by the tender offer for ZDP Shares that was made by the Company in June 2025. As at the date of this document, Somerston holds 96.9 per cent. of the ZDP Shares in issue<sup>2</sup>.

Following completion of the Tender Offer, and given Somerston's irrevocable undertaking to accept the Tender Offer in full (subject to scale back) for the Ordinary Shares Option, the Company anticipates

that there will be 1,562,506 ZDP Shares<sup>2</sup> in issue. This will represent a very small proportion of the Company's overall capital base.

The Existing Articles set out certain protections for ZDP Shareholders afforded by undertakings by the Company not to, without the prior sanction of ZDP Shareholders, take certain actions. These restrictions were established when the ZDP Shares were first issued and apply regardless of how many remain outstanding. The Board believes that, following completion of the Tender Offer, it would no longer be appropriate for the Company to be restricted by these provisions given the relatively low number of ZDP Shares that would remain in issue and the associated materially reduced potential liability associated with the Final Capital Entitlement. Accordingly, the ZDP Amendments would remove some, but not all, of these protections as set out in paragraph 4.2 below.

The present Proposals are consistent with the view expressed by the Board in June 2025 that the Company will benefit from a simpler capital structure with a decreased emphasis on the ZDP Shares. The Ordinary Shares Option is being made available to ZDP Shareholders (other than Restricted Shareholders and certain Overseas Shareholders as explained in paragraph 11 of Part 2 of this document) to allow those ZDP Shareholders who wish to do so to exchange their holding of ZDP Shares for new Ordinary Shares at the Tender Price.

The Board believes that the Proposals are in the best interests of the Ordinary Shareholders and afford ZDP Shareholders an opportunity to exit their investment in full.

ZDP Shareholders who wish to continue to hold ZDP Shares, as amended, may do so. As noted in paragraph A.1 of Part 5 of this document, UK resident ZDP Shareholders should generally not be treated as making a disposal for the purposes of UK taxation of chargeable gains as a result of the ZDP Amendments. It is important to note that the discussion of the tax treatment contained in Part 5 of this document is intended only as a general and non-exhaustive summary of the expected tax treatment and ZDP Shareholders are advised to seek independent professional advice as to the tax consequences for them of the Proposals. **Nothing in this document constitutes or should be construed or relied upon as legal or tax advice.**

#### 4.2 Key Features of the amended ZDP Shares

If the ZDP Amendments are adopted, the ZDP Shares:

- will continue to have a repayment date of 5 December 2030 at a redemption price of 209.90 pence, subject to the Company having sufficient assets at the time to satisfy the solvency test set out under Guernsey company law;
- will continue to see no further capital growth;
- will continue to have the protections afforded by undertakings by the Company not to, without the prior sanction of ZDP Shareholders:
  - pass a resolution releasing the Directors from their obligation to redeem the ZDP Shares on the ZDP Maturity Date;
  - pass a resolution for the voluntary winding up or liquidation of the Company, such winding up to take effect prior to the ZDP Maturity Date; or
  - pass any resolution to vary, modify or abrogate any of the special rights attached to the ZDP Shares; and
- will **cease** to have the protections afforded by undertakings by the Company not to, without the prior sanction of ZDP Shareholders:
  - pay dividends to holders of Ordinary Shares in excess of an amount set out in the Existing Articles;

- issue further shares or securities, or rights to subscribe for or to convert or exchange any securities into shares or securities or reclassify issued share capital into shares or securities of a particular class where such shares or securities would on issue, conversion, exchange or reclassification rank as to capital in priority to or *pari passu* with the ZDP Shares, subject to a Cover Test;

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<sup>2</sup> Excluding treasury shares.

- pass a resolution to reduce the capital of the Company, subject to a Cover Test;
- incur any borrowings in excess of £30 million (subject to certain exclusions) or guarantee the indebtedness of any of its subsidiaries;
- make any material change to the accounting policies adopted by the Company; or
- make a material change to the business of the Company as a whole, which at the time of making such change, appears likely in the reasonable opinion of the Directors to be materially prejudicial to the holders of the ZDP Shares.

The foregoing list is a summary of the protections attaching to the ZDP Shares that are proposed to be removed pursuant to the ZDP Amendments. The full text of these provisions is set out in the Existing Articles and also (in the form of a comparison document showing the changes between the two) the New Articles, both of which are available for inspection as set out in Part 6 of this document.

Save as set out above, the rights of the ZDP Shares following the implementation of the Proposals will be the same as the rights of the existing ZDP Shares. The amended rights of the ZDP Shares are set out in the New Articles and are described in full in Part 3 of this document.

The ability of the Company to pay the Final Capital Entitlement is dependent on the performance of the Company's business and investments. ZDP Shares are not a guaranteed, protected or secured investment and ZDP Shareholders may therefore not receive their full Final Capital Entitlement.

#### 4.3 Adoption of the New Articles

The ZDP Amendments will be implemented by way of the adoption of the New Articles.

The New Articles contain the amended rights attaching to the ZDP Shares as set out in Part 3 of this document. The New Articles contain a right attaching to all ZDP Shares for such ZDP Shares to be redeemed on The ZDP Maturity Date of 5 December 2030 at a redemption price of 209.90 pence per ZDP Share (being the Final Capital Entitlement). The Final Capital Entitlement of the ZDP Shares is unchanged by the proposed ZDP Amendments.

The Existing Articles and the New Articles (in the form of a comparison document showing the changes between the two) are available for inspection as set out in Part 6 of this document.

If the Proposals are approved by Shareholders, the New Articles will be adopted on the date on which the Resolutions are passed. Following the ZDP Amendments, ZDP Shareholders shall continue to hold ZDP Shares on the amended terms as set out in the New Articles. In the case of any discrepancy between this document and the New Articles, the terms of the New Articles will prevail.

#### 4.4 Dealings in ZDP Shares

No new securities will be issued by the Company in connection with the ZDP Amendments and the ZDP Shares will continue to be held by ZDP Shareholders, albeit on the revised terms of the ZDP Amendments.

ZDP Shareholders will not receive replacement share certificates in respect of their ZDP Shares (unless they are electing for the Ordinary Shares Option in the Tender Offer or are accepting the Tender Offer in respect of some but not all of their ZDP Shares).

Although the ZDP Shares remain freely tradeable, the ZDP Shares are not admitted to trading on any market or stock exchange and no formal facility (such as CREST) is available to facilitate the trading of the ZDP Shares. The ability for ZDP Shareholders to dispose of their ZDP Shares is significantly limited and is dependent on there being a willing buyer for those ZDP Shares at such time.

### 5 Taxation

The attention of ZDP Shareholders is drawn to Part 5 of this document which sets out a general guide to certain aspects of current UK and Guernsey taxation law and HMRC and Revenue Service published practice. This information is a general guide and is not exhaustive. Shareholders should seek advice as to their tax position from an appropriate professional adviser.

### 6 Costs of the Proposals

The Company estimates that it will incur costs of approximately £75,000 in respect of the development and implementation of the Proposals.

## 7 The Meetings

The implementation of the Proposals requires Shareholder approval as set out below:

- the passing by ZDP Shareholders of the Resolution to be proposed at the ZDP Class Meeting; and
- the passing by Ordinary Shareholders of Resolution 1 and by Ordinary Shareholders and ZDP Shareholders of Resolution 2, each to be proposed at the Extraordinary General Meeting.

Notices of the ZDP Class Meeting and the Extraordinary General Meeting are set out in Part 8 of this document.

Voting on each of the Resolutions will be held by a poll.

### 7.1 ZDP Class Meeting

The ZDP Class Meeting has been convened for 10.00 a.m. on 19 December 2025 to enable ZDP Shareholders to consider and, if thought fit, pass a special resolution consenting to the passing of the ZDP Amendment Resolution to be proposed at the Extraordinary General Meeting and any variation of their class rights which might arise under or as a result of the passing and carrying into effect of such Resolution. In the event that this Meeting is adjourned due to the absence of a quorum, the adjourned Meeting will be held at the same venue on the same day at 10.30 a.m.

The majority required for the passing of the Resolution to be proposed at the ZDP Class Meeting is not less than 75 per cent. of the votes cast (in person or by proxy) on the Resolution at the ZDP Class Meeting. Somerston Fintech is entitled to vote on the Resolution and has irrevocably undertaken to vote in favour, so the Resolution is expected to be passed.

The ZDP Class Meeting will take place at the Company's registered office, Suite 1, First Floor, Windsor House, Lower Pollet, St. Peter Port, Guernsey, GY1 1WF, Channel Islands. ZDP Shareholders alone are entitled to attend and vote at the ZDP Class Meeting.

The quorum for the ZDP Class Meeting is two persons present in person or by proxy and holding at least one third of the issued ZDP Shares at the date of the Meeting. If the Meeting is not quorate, it will be adjourned to the time and place indicated above, whereupon one person holding ZDP Shares and present in person or by proxy shall form the quorum.

### 7.2 Extraordinary General Meeting

The Extraordinary General Meeting has been convened for 10.05 a.m. on 19 December 2025 (or as soon thereafter as the ZDP Class Meeting has been concluded or adjourned). In the event that this Meeting is adjourned due to the absence of a quorum the adjourned meeting will be held at the same venue on the same day at 10.35 a.m.

At the Extraordinary General Meeting, Shareholders will be asked to consider and, if thought fit, pass the following Resolutions.

#### *Resolution 1*

Resolution 1 is an ordinary resolution to allow the Company to repurchase ZDP Shares, including those successfully tendered under the Tender Offer. If Resolution 1 is passed, the Company may continue to repurchase ZDP Shares from time to time under that authority, subject to the limits set out therein, including a maximum price equal to the Tender Price.

The majority required for the passing of Resolution 1 to be proposed at the Extraordinary General Meeting is a simple majority of the votes cast (in person or by proxy) on that Resolution at the Extraordinary General Meeting.

#### *Resolution 2*

Resolution 2 is a special resolution to approve the adoption of the New Articles in substitution for the Existing Articles, thereby to implement the ZDP Amendments.

Ordinary Shareholders and ZDP Shareholders are entitled to vote (together) in respect of Resolution 2 to be proposed at the Extraordinary General Meeting.

The majority required for the passing of Resolution 2 to be proposed at the Extraordinary General Meeting is not less than 75 per cent. of the votes cast (in person or by proxy) on that Resolution at the Extraordinary General Meeting.

Somerston Fintech is entitled to vote on the Resolutions and has irrevocably undertaken to vote in favour, so the Resolutions are expected to be passed.

The Extraordinary General Meeting will take place at the Company's registered office, Suite 1, First Floor, Windsor House, Lower Pollet, St. Peter Port, Guernsey, GY1 1WF, Channel Islands.

The quorum for the Extraordinary General Meeting is two members present in person or by proxy and holding 5 per cent. or more of the voting rights available at the Meeting. If the Meeting is not quorate, it will be adjourned to the time and place indicated above, whereupon such Shareholders as attend in person or by proxy shall form the quorum.

Notices of all of the above Meetings are set out in Part 8 of this document.

## **8 Action to be taken in respect of the Meetings**

Forms of proxy for Shareholders are enclosed as follows:

- for ZDP Shareholders to vote at the ZDP Class Meeting, a pink form of proxy; and
- for all Shareholders to vote at the Extraordinary General Meeting, a white form of proxy.

Completed Forms of Proxy should be returned by post or by hand to the Company's Registrar, MUFG Corporate Markets, PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 4DL, United Kingdom, as soon as possible, and in any case so as to be received by the Registrar by not later than:

- 10.00 a.m. on 17 December 2025 in relation to the pink form of proxy for the ZDP Class Meeting; and
- 10.05 a.m. on 17 December 2025 in relation to the white form of proxy for the Extraordinary General Meeting.

The Independent Directors unanimously recommend that Ordinary Shareholders vote in favour of the Resolutions to be proposed at the Extraordinary General Meeting.

## **9 Action to be taken: ZDP Shareholders**

Only those ZDP Shareholders (other than Restricted Shareholders and certain Overseas Shareholders) who wish to tender ZDP Shares should complete a Tender Form in accordance with the instructions set out therein and return the completed Tender Form to MUFG Corporate Markets, Corporate Actions, CentralSquare, 29 Wellington Street, Leeds, LS1 4DL, United Kingdom, to arrive as soon as possible and, in any event, by no later than 1.00 p.m. on 17 December 2025.

ZDP Shareholders who tender any or all of their ZDP Shares should indicate on the Tender Form whether they wish to receive the Tender Price in cash or Ordinary Shares.

ZDP Shareholders who participate in the Tender Offer should also return their ZDP Share certificate(s) and/or other document(s) of title in respect of the ZDP Shares tendered with their Tender Form.

The Independent Directors unanimously recommend that ZDP Shareholders vote in favour of the Resolution to be proposed at the ZDP Class Meeting and Resolution 2 to be proposed at the Extraordinary General Meeting.

## **10 Shareholder support and related party transactions**

The Proposals have the support of Somerston Group, the Company's major shareholder, which has agreed to tender all of its ZDP Shares in the Tender Offer at the Tender Price, to be settled in new Ordinary Shares.

Somerston holds 51.5 per cent. of the Ordinary Shares and 96.9 per cent. of the ZDP Shares (excluding shares held in treasury). Somerston is entitled to vote on the Resolutions proposed at the Meetings and has irrevocably undertaken to vote in favour of the Resolutions in respect of its holdings of Shares. Accordingly, each of the Resolutions to be proposed at the Meetings is expected to be passed.

Somerston Fintech is a related party to the Company in accordance with the AIM Rules by virtue of it being a Substantial Shareholder. Accordingly, Somerston Fintech's agreement to tender all of its ZDP Shares in the Tender Offer and the proposed ZDP Amendments in respect of the ZDP Shares held by Somerston Fintech are related party transactions for the purpose of the AIM Rules.

The Independent Directors consider, having consulted with the Company's nominated adviser, Shore Capital, that each of: (i) Somerston Fintech's agreement to tender all of its ZDP Shares in the Tender Offer; and (ii) the proposed ZDP Amendments in respect of the ZDP Shares held by Somerston Fintech, is fair and reasonable insofar as Ordinary Shareholders are concerned.

## **11 Recommendation**

The Independent Directors consider that the terms of the Proposals are in the best interests of both ZDP Shareholders and Ordinary Shareholders and the Company as a whole.

The Independent Directors unanimously recommend that ZDP Shareholders vote in favour of the Resolution to be proposed at the ZDP Class Meeting and Resolution 2 to be proposed at the Extraordinary General Meeting. The Independent Directors also unanimously recommend that Ordinary Shareholders vote in favour of the Resolutions to be proposed at the Extraordinary General Meeting. The Board intend to vote in favour of the Proposals in respect of their own beneficial shareholdings, totalling 9,138,052 Ordinary Shares (representing in aggregate approximately 1.56 per cent. of the issued ordinary share capital of the Company, excluding treasury shares).

Shareholders who are in any doubt as to the action they should take should consult an appropriately qualified independent adviser, authorised under the Financial Services and Markets Act 2000, without delay.

## **EXPECTED TIMETABLE OF PRINCIPAL EVENTS**

	2025
Publication of this document and Tender Offer opens	28 November
Latest time and date for receipt of pink forms of proxy for 10.00 a.m. on 17 December the ZDP Class Meeting	10.00 a.m. on 17 December
Latest time and date for receipt of white forms of proxy for the Extraordinary General Meeting	10.05 a.m. on 17 December
<b>Latest time and date for receipt of Tender Forms from ZDP Shareholders</b>	<b>1.00 p.m. on 17 December</b>
Record Date and time for the Tender Offer	6.00 p.m. on 17 December
<b>ZDP Class Meeting</b>	<b>10.00 a.m. on 19 December</b>
<b>Extraordinary General Meeting</b>	<b>10.05 a.m.<sup>1</sup> on 19 December</b>
Publication of the results of the Meetings	19 December
<b>Effective date of the ZDP Amendments</b>	<b>immediately following the EGM on 19 December</b>
<b>Completion of the Tender Offer</b>	<b>22 December</b>
New or balancing share certificates (as appropriate) and cheques dispatched to ZDP Shareholders	within 10 Business Days of completion of the Tender Offer

<sup>1</sup> Or as soon thereafter as the ZDP Class Meeting has been concluded or adjourned.

All of the times and dates in the timetable above may be extended or brought forward without further notice, at the discretion of the Company. If any of the above times and/or dates change materially, the revised time(s) and/or date(s) will be notified to Shareholders by an announcement through a Regulatory Information Service provider.

All references to time in this announcement are to London time.

## **DEFINITIONS**

<b>AIM Rules</b>	the AIM Rules for Companies
<b>Attorney</b>	has the meaning set out in paragraph 7.3 of Part 2 of this document
<b>Articles</b>	the articles of incorporation of the Company, as amended from time to time
<b>Business Day</b>	a day which is not a Saturday, a Sunday, Christmas Day or Good Friday or a day appointed as a public holiday in Guernsey
<b>Cash Option</b>	the option under the Tender Offer for ZDP Shareholders to receive the Tender Price in cash
<b>Closing Date</b>	22 December 2025
<b>Company</b>	Sancus Lending Group Limited, a non-cellular company limited by shares incorporated in Guernsey with registered number 43260
<b>Conditions</b>	the conditions of the Tender Offer set out in paragraph 3 of Part 2 of this document
<b>Cover Test</b>	a test relevant to certain actions proposed to be taken by the Company and designed to ensure adequate cover for the repayment of the ZDP Shares, as set out in the Existing Articles

<b>CRS</b>	the OECD's Common Reporting Standard
<b>Directors or Board</b>	the board of directors of the Company
<b>Euroclear</b>	Euroclear UK & International Limited in its capacity as the operator of CREST
<b>Existing Articles</b>	the Articles in force as at the date of this document
<b>Extraordinary General Meeting or EGM</b>	the extraordinary general meeting of the Company convened for 19 December 2025, commencing at 10.05 a.m. (or as soon thereafter as the ZDP Class Meeting has been concluded or adjourned), notice of which is set out in Part 8 of this document, or any adjournment thereof
<b>FATCA</b>	the US Foreign Account Tax Compliance Act
<b>FCA</b>	the Financial Conduct Authority of the United Kingdom including any replacement or substitute thereof, and any regulatory body or person succeeding, in whole or in part, to the functions thereof
<b>Final Capital Entitlement</b>	209.90 pence, being the amount per ZDP Share to which a ZDP Shareholder will be entitled on the ZDP Maturity Date
<b>Form of Proxy</b>	each form of proxy for use by Ordinary Shareholders and ZDP Shareholders at the Meetings
<b>FSMA</b>	the Financial Services and Markets Act 2000 (as amended)
<b>Group</b>	the Company and its subsidiaries from time to time
<b>HMRC</b>	HM Revenue & Customs
<b>Independent Directors</b>	Steve Smith, John Whittle and Rory Mepham
<b>London Stock Exchange</b>	London Stock Exchange Plc
<b>Meetings</b>	the ZDP Class Meeting and the Extraordinary General Meeting (or either of them as the context may require)
<b>New Articles</b>	the new Articles to be adopted (subject to Shareholder approval at the Meetings) in connection with the Proposals, with effect from the passing of Resolution 2 to be proposed at the Extraordinary General Meeting
<b>OECD</b>	the Organisation for Economic Co-operation and Development
<b>Ordinary Shareholder</b>	a holder of Ordinary Shares
<b>Ordinary Shares</b>	the ordinary shares of no par value in the capital of the Company
<b>Ordinary Shares Option</b>	the option under the Tender Offer for ZDP Shareholders to receive the Tender Price by way of the issue of new Ordinary Shares
<b>Overseas Shareholders</b>	Shareholders who are resident in, or citizens of, territories outside the United Kingdom and not resident in, or citizens of, any of the Restricted Jurisdictions
<b>Proposals</b>	the ZDP Amendments and the Tender Offer as described in Part 1 of this document
<b>Recommended Resolution</b>	has the meaning set out in paragraph (f) of Part 3 of this document
<b>Reconstruction Resolution</b>	has the meaning set out in paragraph (g) of Part 3 of this document
<b>Record Date</b>	6.00 p.m. on 17 December 2025

<b>Record Date</b>	0.00 p.m. on 17 DECEMBER 2020
<b>Register</b>	the register of members of the Company
<b>Registrar or Receiving Agent</b>	MUFG Corporate Markets
<b>Regulatory Information Service</b>	a service approved by the London Stock Exchange for the distribution to the public of announcements
<b>Resolution 1</b>	the resolution to be proposed for approval by Ordinary Shareholders at the EGM, as described at paragraph 7.2 of Part 1 of this document
<b>Resolution 2</b>	the resolution to be proposed for approval by Shareholders at the EGM, as described at paragraph 7.2 of Part 1 of this document
<b>Resolutions</b>	the resolutions to be proposed for approval by Shareholders at the Meetings, or any of them as the context requires
<b>Restricted Jurisdiction</b>	any of the following territories: Australia, Canada, Japan, New Zealand, the Republic of South Africa, any member state of the European Economic Area and the United States
<b>Restricted Shareholders</b>	Shareholders who are resident in, or citizens of, a Restricted Jurisdiction
<b>Revenue Service</b>	the Revenue Service of the Bailiwick of Guernsey
<b>Share</b>	a ZDP Share or an Ordinary Share, as the context requires
<b>Shareholder</b>	a holder of Shares, as the context requires
<b>Shore Capital</b>	Shore Capital and Corporate Limited
<b>Somerston or Somerston Group</b>	the Somerston group of companies comprising Somerston Group Limited together with its subsidiary companies, including Somerston Fintech
<b>Somerston Fintech</b>	Somerston Fintech Limited, a member of the Somerston Group
<b>Substantial Shareholder</b>	a Shareholder interested in 10 per cent. or more of the Ordinary Shares
<b>Tender Entitlement</b>	up to 100 per cent. of the ZDP Shares registered in a ZDP Shareholder's name as at the Record Date in respect of non- Somerston ZDP Shareholders, or in the case of Somerston 1,700,000 ZDP Shares as reduced by the number of ZDP Shares validly tendered by non- Somerston ZDP Shareholders
<b>Tender Form</b>	the tender form enclosed with this document for use by ZDP Shareholders in connection with the Tender Offer
<b>Tender Offer</b>	the invitation by the Company to each ZDP Shareholder (other than Restricted Shareholders and certain Overseas Shareholders) to tender up to their Tender Entitlement of ZDP Shares, and the acceptance of such tenders by the Company on the terms and subject to the conditions set out in this document and the Tender Form, or any one or more of such invitation, tender or acceptance as the context requires
<b>Tender Price</b>	120.00 pence per ZDP Share
<b>UK</b>	the United Kingdom
<b>United States or US</b>	the United States of America, its territories and possessions, any state of the United States of America, the District of Columbia and all other areas subject to its jurisdiction

<b>US-Guernsey IGA</b>	the intergovernmental agreement between the US and Guernsey in relation to FATCA
<b>ZDP Amendments</b>	the adoption of the New Articles which will remove certain protections afforded to ZDP Shareholders as described in paragraph 4.2 of Part 1 of this document
<b>ZDP Amendment Resolution</b>	Resolution 2 to be proposed at the Extraordinary General Meeting to adopt the New Articles
<b>ZDP Class Meeting</b>	the class meeting of ZDP Shareholders convened for 19 December 2025, commencing at 10.00 a.m., notice of which is set out in Part 8 of this document, or any adjournment thereof
<b>ZDP Maturity Date</b>	5 December 2030, being the maturity date of the ZDP Shares (i.e. the date on which the Final Capital Entitlement is payable to ZDP Shareholders)
<b>ZDP Shareholder</b>	a holder of ZDP Shares
<b>ZDP Shares</b>	the redeemable zero dividend preference shares of no par value in the capital of the Company

## IMPORTANT NOTICE

If Shareholders are in any doubt about the contents of this announcement or the action they should take, they are recommended to seek advice from their stockbroker, solicitor, accountant, bank manager or other appropriately authorised independent financial adviser authorised under the Financial Services and Markets Act 2000 (as amended) if they are in the United Kingdom or from another appropriately authorised independent financial adviser if they are in a territory outside the United Kingdom.

This announcement does not constitute, or form part of, any offer for or invitation to sell or purchase any securities, or any solicitation of any offer for, securities in any jurisdiction. Any acceptance or other response to the Tender Offer should be made only on the basis of information contained in or referred to in the Circular. The Circular will contain important information, including the full terms and conditions of the Tender Offer, which Shareholders are urged to read carefully. The Tender Offer is not being made, directly or indirectly, in or into, or by use of the mails of, or by any means or instrumentality of interstate or foreign commerce of, or any facilities of a national securities exchange of Australia, Canada, Japan, New Zealand, South Africa or the United States or any other jurisdiction where such distribution of the Circular into or inside or from such jurisdiction would constitute a violation of the laws of such jurisdiction.

Certain statements in this announcement constitute forward-looking statements. Any statement in this announcement that is not a statement of historical fact including, without limitation, those regarding the Company's future expectations, operations, financial performance, financial condition and business is a forward-looking statement. Such forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially. These risks and uncertainties include, among other factors, changing economic, financial, business or other market conditions. These and other factors could adversely affect the outcome and financial effects of the plans and events described in this presentation. As a result you are cautioned not to place reliance on such forward-looking statements. Nothing in this announcement should be construed as a profit forecast.

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