



THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt about what action to take, please consult your stockbroker, bank manager, solicitor, accountant, or other independent professional adviser authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom or, if not, from another appropriately authorised financial adviser, immediately.

14 January 2022

Dear Employee,

Announcement regarding proposed Strategic Review, Formal Sale Process and Commencement of Offer Period ("Strategic Review")

I refer to the announcement released on 13 January 2022 by ADVFN plc (the "**Announcement**") pursuant to Rule 2.4 of the City Code on Takeovers and Mergers (the "**Takeover Code**"). In the Announcement the Board of ADVFN plc ("**ADVFN**") stated that it had noted several recent announcements of significant shareholdings and the Board is concerned that control may be being sought by long-standing group of shareholders whose total interests may not be aligned with shareholders as a whole. Furthermore, the Board believes that the Company, having reached a stage of reported profitability, has valuable assets which could well be of interest to a number of parties. As the Company is currently cash generative, the Board does not anticipate any new funding requirements. The Strategic Review is therefore solely aimed at creating and/or realising shareholder value.

As the Board believes that the currently tightly held and illiquid nature of its ordinary shares may represent an impediment to achieving a correct valuation in the market, the Board has been considering the options for the Company with its advisers. The Board wishes to maximise value for all existing shareholders and has now determined to undertake a formal review of the Company's strategic options. These options include, but are not limited to, a sale of the Company itself which the Board intends to conduct under the framework of a "formal sale process" in accordance with Rules 2.4 and 2.6 of the Takeover Code.

Accordingly, ADVFN is currently in an "offer period", as defined by the Takeover Code.

You can access the Announcement, free of charge, on the Company's website at www.advfnplc.com (subject to any applicable restrictions in your jurisdiction, if you are a shareholder). This letter is not to be taken as a summary of the information in the Announcement and should not be regarded as a substitute for reading the Announcement in full. For the avoidance of doubt, the content of ADVFN's website is not incorporated into, and does not form part of, this letter.

I am sending this letter in accordance with Rule 2.11(a)(ii) of the Code. As well as being required to make a copy of the Announcement readily available to you, I am also required by the Code to inform you in your capacity as an employee and / or pension scheme trustee (as applicable) of certain rights

ADVFN PLC

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Company registered in England and Wales: Number 0237 4988 VAT No 549 2130 49

that you have under the Code in relation to the possible offer. While there can be no certainty that any offer will be made, if such an offer is made in due course:

- (a) Under Rule 25.9 of the Code, you are entitled to have an opinion from employee representatives on the effects of any offer on employment and the opinion from the trustees of any of its pension scheme(s) on the effects of the offer on the pensions scheme(s) (as applicable) to be appended to the circular published in accordance with Rule 25 of the Code at that time, so long as such opinion is provided to and received by your Board in good time before publication of that circular. (Note that, even if that opinion is not received by your Board in good time to merit inclusion in the circular, the Company will be obliged to publish such opinion on its website and also make a regulatory announcement to state that it has been so published, so long as the opinion is received no later than 14 days after the date on which the offer becomes or is declared unconditional as to acceptances or, if applicable, any scheme of arrangement is declared effective.)
- (b) Under Note 1 on Rule 25.9 of the Code, the Company will pay (i) for the publication of any opinion as received above and (ii) for costs reasonably incurred by employee representatives or employee themselves in obtaining advice required for the verification of information in that opinion in order to comply with the high standards of care and accuracy that are required by Rule 19.1 of the Code for all documents or advertisements published, or statements made, during the course of the offer period.

A copy of this document is available on the Company's website at www.advfnplc.com

If you are in any doubt about the action you should take, you are recommended to seek your own financial advice in that regard.

Yours faithfully,



Michael Hodges
Chairman

Responsibility

The Directors of the Company accept responsibility for the information contained in this letter. To the best of the knowledge and belief of the Directors of the Company (who have taken all reasonable care to ensure that such is the case) the information contained in this letter is in accordance with the facts and does not omit anything that is likely to impact the import of this letter.



Right to request hard copies

You may request a copy of the Announcement and any information incorporated into it by reference to another source in hard copy form by writing to the Company's Finance Director, Jonathan Mullins, at the Company's office: 28 Ongar Business Centre, The Gables, Fyfield Road, Ongar, Essex CM5 0GA or by telephone on +44 20 3868 6702. Lines are open between 9.00 a.m. and 5.00 p.m., Monday to Friday (excluding public holidays in England and Wales). A hard copy of the Announcement will not be sent to you unless you so request it. You may also request that all future documents, announcements and information sent to you in relation to any potential Offer should be sent to you in hard copy form, again by writing to the address set out above or by calling the telephone number above.

Disclosure Requirements of the Takeover Code

Under Rule 8.3(a) of the Takeover Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Takeover Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

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Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

Publication of the Announcement

Pursuant to Rule 26.1 of the Code, a copy of the Announcement is available subject to certain restrictions relating to persons resident in restricted jurisdictions on the Company's website (www.advfnplc.com).

The content of the website referred to in the Announcement is not incorporated into and does not form part of this letter.

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