

Corporate Governance Statement

AdvancedAdvT Limited (the "**Company**", together with its subsidiaries, the "**Group**") is managed under the direction and supervision of the board of directors (the "**Board**"). Among other things, the Board sets the vision and strategy for the Company in order to effectively implement the Company's business model which is described below.

Good corporate governance seeks to create shareholder value by improving performance while reducing or mitigating those risks the Company faces as it seeks to create sustainable growth over the medium to long-term.

To these ends, and in line with the obligation contained in the AIM Rules for Companies requiring all companies to adopt and comply with a recognised corporate governance code, the Board will adopt the Quoted Companies Alliance Corporate Governance Code ("**QCA Code**") upon admission of the Company's ordinary shares to trading on AIM ("**Admission**"). It was decided that the QCA Code was more appropriate for the Company's size and stage of development than the more prescriptive Financial Reporting Council's UK Corporate Governance Code. Upon Admission, the Company will appoint two additional non-executive directors, being Paul Gibson and Barbara Firth (together the "**Proposed Directors**"), to the Board and establish Audit and Risk Committee, Nomination Committee and Remuneration Committee, which will be discussed in detail below. Barbara Firth will also be appointed the Senior Independent Director of the Company.

The narrative that follows sets out, in broad terms, how the Company will comply with the QCA Code upon Admission and how it proposes to comply in the future and the Board will also provide annual updates to Shareholders following Admission.

Principle 1: Establish a strategy and business model which promote long-term value for shareholders

The Group designs, develops, sells and supports high-end products and solutions for use in a wide range of applications within the private and public sectors. Their products are designed to be compliant with industry specifications and support many of today's leading operating systems. The Group's products are sold worldwide, but with the majority of focus within Europe and North America.

The Group's business model is designed to promote long-term profitable growth and cash generation. The Company's strategy has a strong focus on organic growth, through expanding existing customer accounts and accessing similar customers from the sectors in which it operates. In addition, it seeks to expand market share and product reach through accretive, strategically valuable acquisitions.

The Company believes that floating on AIM is of long-term value to shareholders of the Company (the "**Shareholders**"), offering access to capital markets to exploit underlying, structural growth trends believed by the Directors to be inherent in the sectors in which it operates. In addition, it provides the level of transparency its corporate customers expect and will assist with the reward and retention of employees, within a regulatory environment fit for its size and stage of development.

Principle 2: Seek to understand and meet shareholder needs and expectations

The Company is committed to listening and communicating openly with Shareholders to ensure that its strategy, business model and performance are clearly understood. Understanding what analysts and investors think about the Company, and in turn, helping these audiences understand its business, is a key part of driving performance and therefore dialogue with the market will be sought actively. This will

be done through institutional investor roadshows, investor briefings, attending and presenting at investor conferences and meeting with independent investment analysts and financial journalists alongside the Group's regular reporting.

The Directors will actively seek to build a relationship with institutional Shareholders. The Executive Directors will make presentations to institutional Shareholders and analysts from time-to-time, in part to listen to their feedback and have a direct conversation on any areas of concern. The Board as a whole will be kept informed of the views and concerns of major Shareholders by briefings from the Executive Directors. Any significant investment reports from analysts will be circulated to the Board. The executive chairperson will also be available to meet with major Shareholders if required to discuss issues of importance to them.

The Annual General Meeting ("**AGM**") will be one forum for dialogue with Shareholders and the Board each year. The notice of AGM will be sent to Shareholders at least seven days before the AGM. The chairperson and all Board committees, together with all other Directors, will routinely attend the AGM and be available to answer questions raised by Shareholders. For each vote taken, the number of proxy votes received for, against and withheld will be announced at the meeting. The results of the AGM will subsequently be announced to the London Stock Exchange and published on the Company's website.

Principle 3: Take into account wider stakeholder and social responsibilities and their implications for long-term success

Engaging with all stakeholders strengthens relationships and also helps better business decision making and delivery against forecasts and commitments. The Board will be regularly updated on wider stakeholder engagement matters in order to stay abreast of stakeholder insights into the issues that matter most to them and the business, and to enable the Board to understand and consider these issues in their decision-making. Some examples of stakeholders aside from Shareholders are employees, customers and suppliers. The Board will therefore closely monitor and review the results of the Company's engagement with those groups to ensure alignment of interests.

Principle 4: Embed effective risk management, considering both opportunities and threats, throughout the organisation

Financial Controls

The Audit and Risk Committee will comprise Paul Gibson (committee chair), Barbara Firth and Mark Brangstrup Watts. The Audit and Risk Committee will meet as often as required and at least three times a year. The Audit and Risk Committee's main functions will include reviewing the effectiveness of internal control systems and risk assessment in conjunction with monitoring the integrity of the financial statements of the Company and Group, including its annual and interim reports and any other formal announcement relating to financial performance. The Audit and Risk Committee will be responsible for overseeing the Company's relationship with the external auditors, including making recommendations to the Board on the appointment of the external auditors and their remuneration. The Audit and Risk Committee will consider the nature, scope and results of the auditors' work and reviews, and will develop and implement policies on the supply of non-audit services that are provided by the external auditors where appropriate.

The Audit and Risk Committee will focus particularly on compliance with legal requirements, international financial accounting standards and the AIM Rules for Companies, and also ensure that an effective system of internal financial and non-financial controls is maintained. Ultimate responsibility for reviewing and approving the annual report and accounts will remain with the Board. The identity of the

chair of the Audit and Risk Committee will be reviewed on an annual basis and the membership of the Audit and Risk Committee and its terms of reference kept under regular review. The Audit and Risk Committee members will have no links with the Company's external auditors.

Standards and policies

The Board is committed to maintaining appropriate standards for all the Group's business activities and ensuring these standards are set out in written policies where appropriate. The Board acknowledges that the Group's domestic and international operations may give rise to possible claims of bribery and corruption. In consideration of the UK Bribery Act 2010, the Board will review the perceived risks to the Group arising from bribery and corruption so as to identify any aspects of its business which may be improved to mitigate such risk. The Board has adopted a zero-tolerance policy towards bribery and has reiterated the Company's commitment to carry out business fairly, honestly and openly.

The Company has also adopted a share dealing policy in conformity with the requirements of Article 19 of UK MAR and Rule 21 of the AIM Rules for Companies, and will take steps to ensure compliance by the Board and relevant senior staff, as well as by any closely associated persons and other applicable employees, with the terms of the policy.

Principle 5: Maintain the board as a well-functioning, balanced team led by the chair

Upon Admission, the Board shall comprise one executive chairperson, two Executive Directors and three Non-Executive Directors. The Board considers that two of the Non-Executive Directors, Paul Gibson and Barbara Firth, are independent and would bring an independent judgement to bear. Barbara Firth will be appointed the Senior Independent Director of the Company. The Board is satisfied that it has a suitable balance between independence on the one hand, and knowledge of the Company on the other, to enable it to discharge its duties and responsibilities effectively. All Directors are encouraged to use their independent judgement and to challenge all matters, whether strategic or operational. The chairperson will, following Admission, continue to hold periodic update meetings with the Board.

During the financial year ending 28 February 2025, at least 4 formal periodic Board meetings will take place, in addition to ad-hoc Board meetings which are scheduled as required. Key Board activities in the coming year will include the integration and development of the Acquired Companies, the receipt, investigation and assessment of any potential acquisition candidates; continued open dialogue with the investment community; consideration of financial and non-financial policies; the discussion of strategic priorities; discussions regarding the Company's capital structure and financial strategy, including capital investments and Shareholder returns; discussions around internal governance processes; a review of the Company's risk profile and a review of any feedback received from Shareholders post full and half year results. All Directors and the Proposed Directors have been advised of the time required to fulfil the role prior to appointment and were asked to confirm that they can make the required commitment before they were appointed. This requirement is also included in their deeds of appointment or executive service agreement.

Principle 6: Ensure that between them the directors have the necessary up-to-date experience, skills and capabilities

The Board is satisfied that, between the Directors and the Proposed Directors, it has an effective and appropriate balance of skills and experience, including in the areas of computing manufacture, finance, capital markets, legal and corporate governance. All Directors receive regular and timely information on

the Company's operational and financial performance. Relevant information is also circulated to the Directors in advance of meetings.

The Board, with supports from the Nomination Committee, makes decisions regarding the appointment and removal of Directors and there is a formal, rigorous and transparent procedure for appointments. All Directors are able to take independent professional advice in the furtherance of their duties, if necessary, at the Company's expense. In addition, the Directors have direct access to the advice and services of the Company Secretary and external legal counsel.

Principle 7: Evaluate board performance based on clear and relevant objectives, seeking continuous improvement

The Company constantly assesses the individual contributions of each Board member and the senior executive team of the Group to ensure their contribution is relevant and effective, that they are committed and, where relevant, that they have maintained their independence. Over the next 12 months, the key action will be to ensure a robust succession plan is in place for the most senior members of the Group's team, including members of the Board and put in place an appropriate Board evaluation process.

Principle 8: Promote a corporate culture that is based on ethical values and behaviours

The Board believes that the promotion of a corporate culture based on sound ethical values and behaviours is essential to maximising Shareholder value. With regard to the structure and size of the Company, the Board is confident that its ethical values are being adhered to and this will continue to be considered by the Board. The Company will only meet its objectives if all of its employees are ethical, fair and transparent in their dealings with all stakeholders.

Principle 9: Maintain governance structures and processes that are fit for purpose and support good decision-making by the board

The Board intends to meet at least four times each year in accordance with its scheduled meeting calendar. The Board sets the direction of the Company through a formal schedule of matters reserved for its decision. Prior to the start of each financial year, a schedule of dates for that year's Board meetings will be compiled to align, as far as reasonably practicable, with the Company's financial calendar while also ensuring an appropriate spread of meetings across the financial year. This may be supplemented by additional meetings as and when required.

The Board is responsible for the long-term success of the Company. There is a formal schedule of matters reserved to the Board. It is responsible for overall group strategy; approval of major investments; approval of the annual and interim results; annual budgets; dividend policy; and Board structure. It monitors the exposure to key business risks and reviews the annual budgets and performance compared to those budgets.

The Company was established to evaluate and make acquisitions, and during the period before the Acquisitions the Directors decided to limit corporate overheads where possible, including the costs of appointing additional Board members. Whilst still in the early stages of executing its strategy, the Company chose not to appoint a CEO. Having made the acquisitions of five software businesses in 2023, the Board anticipates that it will identify a suitable candidate for the CEO role during 2024 and believes that the executive team has the necessary capabilities to execute the Company's strategy during the intervening period. Until such time as an appropriate candidate is appointed as CEO, Vin Murria OBE will be the Executive Chairperson.

The Board is cognisant that the QCA Code recommends that the chairperson of the Board has adequate separation from the day-to-day business and, following the appointment of a CEO, intends to separate the chairperson from an executive role. Upon the appointment of a CEO, the role of a chairperson is to run the business of the Board and for ensuring appropriate strategic focus and direction, while a CEO is responsible for proposing the strategic focus to the Board, implementing it once it has been approved, and overseeing the management of the Company through the executive team. In the event that Vin Murria OBE is appointed as the CEO of the Company, the Board would appoint a non-executive chair.

The Board is supported by the Audit and Risk Committee, the Remuneration Committee and the Nomination Committee. The Board and its committees receive appropriate and timely information prior to each meeting; a formal agenda is produced for each meeting, and Board and committee papers are expected to be distributed well before meetings take place. Each committee will have access to such resources, information and advice as it deems necessary, at the cost of the Company, to enable the committee to discharge its duties. Please see sections headed "Audit and Risk Committee", "Remuneration Committee" and "Nomination Committee" above for details on the function and composition of the committees.

Principle 10: Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

The Company will communicate with Shareholders through the annual report and accounts, full-year and half-year announcements, the AGM, appropriate regulatory news announcements, other general meetings (as required) and one-to-one meetings with large existing or potential new Shareholders. A range of corporate information (including all Company announcements and presentations) will also be available to Shareholders, investors and the public on the Company's corporate website at www.advancedadv.com. The Board will receive regular updates on the views of Shareholders through briefings and reports from the executive chairperson and the Company's broker. The Company will also communicate with institutional investors frequently through briefings with management.