

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the contents of this document or the action you should take, you should consult a person authorised for the purposes of the Financial Services and Markets Act 2000 (FSMA) who specialises in advising on the acquisition of shares and other securities.

This document comprises a prospectus relating to Iconic Labs plc (**Company**), prepared in accordance with the Prospectus Regulation Rules of the Financial Conduct Authority (**FCA**) made under section 73A of FSMA and approved by the FCA under section 87A of FSMA. This document has been filed with the FCA and made available to the public in accordance with Rule 3.2 of the Prospectus Regulation Rules. Application will be made to the FCA for the new ordinary shares of £0.00001 each in the Company (New Ordinary Shares) to be admitted to the Official List maintained by the FCA (Official List) by way of a standard listing under Chapter 14 of the Listing Rules and to the London Stock Exchange Plc (London Stock Exchange) for such New Ordinary Shares to be admitted to trading on the London Stock Exchange's main market for listed securities (in each case, Admission).

The Company and each of the Directors, whose names appear on page 26 of this document, accept responsibility for the information contained in this document. To the best of the knowledge of the Company and the Directors, the information contained in this document is in accordance with the facts and this document makes no omission likely to affect its import.

This prospectus has been approved by the Financial Conduct Authority, as competent authority under Regulation (EU) 2017/1129 which is part of UK law by virtue of the European Union (Withdrawal) Act 2018 (**EUWA**) (**UK Prospectus Regulation**). The Financial Conduct Authority only approves this prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation and such approval should not be considered as an endorsement of the issuer or the quality of the securities that are the subject of this prospectus. Investors should make their own assessment as to the suitability of investing in the securities. This prospectus has been drawn up as part of a simplified prospectus in accordance with Article 14 of the UK Prospectus Regulation.

ICONIC LABS PLC

(incorporated in England and Wales under the company number 10197256)

**Prospectus relating to the issuance of up to
184,964,908,519 new Ordinary Shares**

and

**Admission to the Official List (by way of a Standard Listing under Chapter 14
of the Listing Rules) and to trading on the London Stock Exchange's main
market for listed securities**

Financial Adviser

NOVUM

Novum Securities Limited

THE WHOLE OF THE TEXT OF THIS DOCUMENT SHOULD BE READ BY PROSPECTIVE INVESTORS. YOUR ATTENTION IS SPECIFICALLY DRAWN TO THE DISCUSSION OF CERTAIN RISK AND OTHER FACTORS THAT SHOULD BE CONSIDERED IN CONNECTION WITH ANY INVESTMENT IN THE ORDINARY SHARES, AS SET OUT IN THE SECTION ENTITLED "RISK FACTORS" ON PAGES 11 TO 17 OF THIS DOCUMENT.

PROSPECTIVE INVESTORS SHOULD BE AWARE THAT AN INVESTMENT IN THE COMPANY INVOLVES A SIGNIFICANT DEGREE OF RISK AND THAT, IF CERTAIN OF THE RISKS DESCRIBED IN THIS DOCUMENT OCCUR, INVESTORS MAY FIND THEIR INVESTMENT IS MATERIALLY ADVERSELY AFFECTED.

ACCORDINGLY, AN INVESTMENT IN THE ORDINARY SHARES IS ONLY SUITABLE FOR INVESTORS WHO ARE PARTICULARLY KNOWLEDGEABLE IN INVESTMENT MATTERS AND WHO ARE ABLE TO BEAR THE LOSS OF THE WHOLE OR PART OF THEIR INVESTMENT.

Novum Securities Limited (**Novum**) is authorised and regulated in the United Kingdom by the FCA and is acting as financial adviser for the Company and for no-one else in connection with the publication of this document and will not be responsible to anyone other than the Company for providing the protections afforded to customers of Novum or for affording advice in relation to the contents of this document or any matters referred to herein. Novum is not responsible for the contents of this document. This does not exclude any responsibilities which Novum may have under FSMA or the regulatory regime established thereunder.

This document does not constitute an offer to sell or an invitation to subscribe for, or the solicitation of an offer to buy or subscribe for, ordinary shares in any jurisdiction where such an offer or solicitation is unlawful or would impose any unfulfilled registration, publication or approval requirements on the company.

The Ordinary Shares have not been and will not be registered under the US Securities Act of 1933, as amended (**Securities Act**), or under the securities laws or with any securities regulatory authority of any state or other jurisdiction of the United States or of Australia, Canada, Japan, New Zealand, the Republic of Ireland or the Republic of South Africa, or any province or territory thereof. Subject to certain exceptions, the Ordinary Shares may not be taken up, offered, sold, resold, transferred or distributed, directly or indirectly, and this document may not be distributed by any means including electronic transmission within, into, in or from the United States, Australia, Canada, Japan, New Zealand, the Republic of Ireland or the Republic of South Africa or to as for the account of any national, resident or citizen of the United States or any person resident in Australia, Canada, Japan, New Zealand, the Republic of Ireland or the Republic of South Africa. The Ordinary Shares may only be offered or sold in offshore transactions as defined in and in accordance with Regulation S promulgated under the Securities Act. Acquirers of the Ordinary Shares may not offer to sell, pledge or otherwise transfer the Ordinary Shares in the United States, or to any US Person as defined in Regulation S under the Securities Act, including resident corporations, or other entities organised under the laws of the United States, or non-US branches or agencies of such corporations unless such offer, sale, pledge or transfer is registered under the Securities Act, or an exemption from registration is available. The Company does not currently plan to register the Ordinary Shares under the Securities Act. The distribution of this document in or into other jurisdictions may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

APPLICATION WILL BE MADE FOR THE NEW ORDINARY SHARES AS SET OUT IN THIS DOCUMENT, TO BE ADMITTED TO A STANDARD LISTING ON THE OFFICIAL LIST. A STANDARD LISTING WILL AFFORD INVESTORS IN THE COMPANY A LOWER LEVEL OF REGULATORY PROTECTION THAN THAT AFFORDED TO INVESTORS IN COMPANIES WITH A PREMIUM LISTING ON THE OFFICIAL LIST, WHICH ARE SUBJECT TO ADDITIONAL OBLIGATIONS UNDER THE LISTING RULES. IT SHOULD BE NOTED THAT THE FCA WILL NOT HAVE THE AUTHORITY TO (AND WILL NOT) MONITOR THE COMPANY'S COMPLIANCE WITH ANY OF THE LISTING RULES, NOR TO IMPOSE SANCTIONS IN RESPECT OF ANY FAILURE BY THE COMPANY TO SO COMPLY.

The date of this prospectus is 8 August 2023.

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SUMMARY

1. Introduction
<i>Name and ISIN of securities</i>
Ticker for the Ordinary Shares: ICON. International Securities Identification Number (ISIN): GB00BD060S65.
<i>Identity and contact details of the issuer</i>
Name: Iconic Labs plc (incorporated in England and Wales with company number 10197256). Registered office: Street 7 Bell Yard, London, United Kingdom, WC2A 2JR Telephone number: +44 7462156238 Legal Entity Identifier (LEI): 213800YCXZV6RSHGGT04.
<i>Identity and contact details of the competent authority</i>
Name: Financial Conduct Authority Address: 12 Endeavour Square, London, E20 1JN
<i>Date of approval of Prospectus</i>
8 August 2023.
<i>Warnings</i>
This summary should be read as an introduction to this document. Any decision to invest in the securities should be based on a consideration of the prospectus as a whole by the prospective investor. The investor could lose all or part of the invested capital. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the prospectus, or where it does not provide, when read together with the other parts of the prospectus, key information in order to aid investors when considering whether to invest in such securities.
2. Key Information on the Issuer
<i>Who is the issuer of the securities?</i>
<i>Domicile and legal form, LEI, applicable legislation and country of incorporation</i>
The issuer is Iconic Labs plc of 7 Bell Yard, London, WC2A 2JR United Kingdom and its LEI is 213800YCXZV6RSHGGT04. It is a public company limited by shares, incorporated and registered in England and Wales under company number 10197256 and governed by the laws of England and Wales. It is domiciled in England and Wales.
<i>Principal activities</i>
Iconic is a media and technology business focused on developing businesses and the identification of acquisitions of technology driven companies in the online media, artificial intelligence, and big data gathering, processing and analysis sectors. Iconic's sole asset is Gay Star News ("GSN"), an online media platform dedicated to the LGBTQ+ community that the Company is developing with strategic partners. In addition, Iconic is developing a strategic advisory services business that signs fee-based service contracts with technology companies in the online media, artificial intelligence, and big data gathering, processing and analysis sectors and advises them on growth strategy, product development, social media, marketing, and capital raising.

Major shareholders

The Company is aware of the following persons who will hold, directly or indirectly, voting rights representing 3% or more of its share capital as at the Latest Practicable Date:

Shareholder	Number of Ordinary Shares	Percentage of issued ordinary share capital
Hargreaves Lansdown Nominees Limited ¹	12,935,278,157	27.93%
Interactive Investor Services Nominees Limited ¹	7,794,626,707	16.83%
HSDL Nominees Limited ¹	5,961,361,723	12.87%
Barclays Direct Investing Nominees Limited ¹	4,127,092,551	8.91%
Interactive Brokers LLC ¹	3,838,095,849	8.29%
Vidacos Nominees Limited ¹	3,607,329,275	7.79%
Lawshare Nominees Limited ¹	2,302,558,664	4.97%

¹ Shares are held in a nominee account with no beneficial holder owning 3% or more of the issued share capital

There are no differences between the voting rights enjoyed by the above persons and those enjoyed by the other holders of Ordinary Shares.

Controlling shareholder, if any

To the best of the Directors' knowledge no-one, directly or indirectly, acting jointly, exercise or could exercise control over the Company.

Directors

Bradley Tyler Taylor, David Štýbr, Marija Hrebac, Emmanuel Blouin

Statutory Auditors

Nordens Audit Limited

What is the key financial information regarding the issuer?

Selected historical financial information:

Consolidated Statement of Comprehensive Income

	6 Months ended 31 December 2022 £	Year ended 30 June 2022 £
Continuing operations		
Revenue	—	26,823
Gross profit	—	26,823
Administrative expenses	(658,969)	(203,930)
Direct costs in connection with EHGOF Financing Facility	—	(585,000)
Creditors write off	6,139,324	—
Operating profit	5,480,355	(762,107)
Finance costs	—	—
Profit before taxation	5,480,355	(762,107)
Taxation	—	—
Profit for the period from continuing operations	5,480,355	(762,107)
Profit for the period from discontinued operations	—	—
Profit for the period	5,480,355	(762,107)
Total comprehensive Profit for the period	5,480,355	(762,107)
Profit per ordinary share		
Basic and diluted		
from continuing operations	(0.00)	(0.00)
from discontinued operations	(0.00)	(0.00)

Consolidated Statement of Financial position

	6 Months ended 31 December 2022 £	Year ended 30 June 2022 £
Assets		
Non-current Assets		
Intangible assets	1	1
Total non-current assets	1	1
Current assets		
Trade and other receivables	—	—
Cash and cash equivalents	92,894	5
Total current assets	92,894	5
Total Assets	92,895	6
Equity		
Share capital	4,450,506	4,450,506
Share premium	7,900,778	7,900,778
Retained deficit	(15,809,449)	(21,289,804)
Total Equity	(3,458,165)	(8,938,520)
Liabilities		
Current Liabilities		
Trade and other payables	2,051,059	6,523,526
Loans and borrowings	1,500,000	2,415,000
Provisions	—	—
Total Liabilities	3,551,059	8,938,526
Total equity and liabilities	92,895	6

Consolidated Statement of Cash flows

	6 Months ended 31 December 2022 £	Year ended 30 June 2022 £
Cash flows for operating activities		
Total comprehensive loss for the period	5,480,355	(762,107)
Loss from discontinued operations	—	—
Loss from sale of tangible assets	—	—
Impairment of intangible assets	—	—
Depreciation	—	—
Finance Costs	—	—
	5,480,355	(762,107)
Decrease / (increase in trade and other receivables	—	103,126
(Decrease) / increase in trade and other payables	(4,992,466)	642,057
(Decrease) / increase in provisions	—	(34,000)
Operating cash flows used by continuing activities	487,889	(50,924)
Operating cash flows generated from / (used by) discontinued operations	—	—
Net Cash used in operating activities	487,889	(50,924)
Cash flows from financing activities		
Interest paid	—	—
Repayment of leases	—	—
Repayment of loans and borrowings	(915,000)	—
Issue of share capital	—	—
Cost of issuing share capital	—	—
Issue of convertible loan notes	520,000	—
Financing cash flows from continuing activities	(395,000)	—
Financing cash flows used by discontinued operations	—	—
Net cashflows from financing activities	(395,000)	—
Net increase / (decrease in cash and cash equivalents	92,889	(50,924)
Cash and cash equivalents at beginning of period	5	50,929
Cash and cash equivalents at period end	92,894	5

Description of the nature of any qualifications in the audit report on the historical financial information

Iconic Labs' auditors included a qualified opinion in their audit report for the period ended 30 June 2022 published on 27 December 2022. The opinion is summarised as follows:

"The directors have prepared cashflow forecasts for a period of at least 12 months from the date of approving these financial statements which indicate that the Company is at an early stage of development and it not currently profitable. These events or conditions, along with the other matters and the Company having net liabilities at the 30 June 2022 of £8,938,520 (2021: £8,176,413), indicate that a material uncertainty exists that may cast significant doubt on the ability of the Company to continue as a going concern. The financing from EHGOSF is conditioned upon the Company trading again. In the event that the Company's shares are suspended again and Iconic cannot obtain financing to acquire companies for its portfolio, there is a risk that it will not generate the revenue and profitability to remain a going concern. Our opinion is not modified in respect of this matter. Given the uncertainties noted above, we considered going concern to be a 'Key Audit Matter' and our audit response was as follows:

- Review of documentation regarding the CVA that was approved and put in place on 22 September 2022
- Review of the Financing Facility in place with EHGOSF
- Review of the confirmation of the Company exiting administration on 29 November 2022

The Auditors further added the following in their audit report for the period 30 June 2022 published on 27 December 2022:

“The Company has not currently prepared forecasts for a period of at least 12 months from the date of approval of the financial statements due to there being no confirmation of the relisting at the date of approval and therefore, we are unable to review these at this current time. We have confirmed with management that they are not aware of any other factors that might adversely impact on their assessment of the Company’s ability to continue as a going concern other than those already noted in the financial statements.”

What are the key risks that are specific to the issuer?

- Iconic does not currently generate any cash flow and is therefore currently reliant on the Financing Facility with EHGOSF for its sole source of working capital which is subject to certain conditions. It is possible that in the future certain of these conditions, several of which are outside the control of the Company, may not be met and as a result the Company may not be in a position to further draw down on the Financing Facility.
- In the event that EHGOSF exercises its full rights under the Financing Facility for conversion of Loan Notes and Warrants into Shares, this could result in a significant holding in the Company by EHGOSF.
- There is a risk that Iconic will not be able to retain key executives, which could adversely affect Iconic’s operating and financial performance.
- A copycat website, www.gaystarnews.co.uk was registered on 19 October 2022. If this dispute is not resolved, and the Copycat Website is not shutdown, it could result in lost website traffic and therefore a loss of revenue.
- The Company is dependent upon advertising agencies to implement its growth strategy. If advertisers do not wish to engage, this could adversely impact the Company’s revenue and profits.

3. Key information on the securities

What are the main features of the securities?

Type, class and ISIN of securities

The securities that are subject to Admission are Ordinary Shares with ISIN number GB00BD060S65 and SEDOL number BD060S6.

Currency, denomination and par value of securities

The Ordinary Shares are denominated in pounds sterling at a par value of £0.00001 each.

Number of securities issued

The Company has 46,306,916,660 Ordinary Shares in issue and fully paid as at the date of this document.

Rights attached to the securities

Each Ordinary Share ranks *pari passu* for voting rights, dividends and return of capital on winding up. Shareholders will have pre-emption rights which will generally apply in respect of future share issues for cash.

Seniority of the securities in the event of insolvency

The Ordinary Shares rank behind all debts and liabilities of the Company (secured and unsecured). The Company only has one class of shares, which rank *pari passu* on insolvency.

Restrictions on free transferability of the securities

There are no restrictions in place.

Dividend or payout policy, if any

The Board considers that it is in the best interests of Shareholders for the Company to focus on capital growth at the current time. The Board therefore intends, during the Company's current phase of development, to retain future distributable profits from the business to the extent that they are generated. The Board does not intend to declare or pay a dividend in the immediately foreseeable future, but subject to, *inter alia*, the availability of sufficient distributable profits, intend to commence the payment of dividends when it becomes commercially prudent to do so and intends to adopt a progressive dividend policy thereafter.

Where will the securities be traded?**Application for admission to trading**

Application will be made for the New Ordinary Shares to be admitted to trading on the London Stock Exchange's Main market for listed securities.

Key risks relating to the Company's securities

- Shareholders do not initially have the benefit of pre-emption rights in respect of the issues of future shares. In addition, the Company may issue shares or convertible debt securities or incur substantial indebtedness, which may dilute the interests of Shareholders.
- Dilution of shareholders' interests in connection to the issuance of Warrants
- Dividend payments on the Ordinary Shares are not guaranteed and the Company does not intend to pay dividends prior to making an initial acquisition

4. Key information on admission to trading on a regulated market**Under which conditions and timetable can I invest in this security?****General terms and conditions of the Issue**

This document does not constitute an offer or an invitation to any person to subscribe for or purchase any Shares in the Company. No new Ordinary Shares are being offered to the public.

Expected timetable of the offer

Date of this prospectus

8 August 2023

Details of the admission to trading on a regulated market, if any

The Existing Ordinary Shares are currently listed on the Standard Listing segment of the Official List and traded on the London Stock Exchange's main market for listed securities.

Applications will be made: (i) to the FCA for the New Ordinary Shares to be admitted to listing on the Standard Listing segment of the Official List and: (ii) to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on the London Stock Exchange's main market for listed securities.

Amount and percentage of dilution resulting from the offer

The issue of the New Ordinary Shares will result in the Existing Ordinary Shares held by the Shareholders at the date of this document being diluted by 43.8 per cent.

Estimate of total expenses of the issue and/or offer

Estimated expenses in respect of the preparation and publication of this Prospectus are expected to be £102,080 (inclusive of VAT).

Why is this prospectus being produced?

This Document is being produced to provide the Company with the ability to issue further Shares under the Prospectus Regulation Rules related to the following four matters that are consequences of the Company's successful exit from administration and renewed trading on the London Stock Exchange:

- (i) Up to in aggregate 45,045,045,045* new Shares to be issued to EHGOSF to convert £750,000 in convertible notes, and to Linton Capital to convert £750,000 in convertible notes, all issued pursuant to the Settlement Deed dated 23 August 2022 ("Settlement Deed") resolving all outstanding disputes among various parties ("Settlement Shares").

- (ii) 1,674,130,609 new Shares to be issued to unsecured creditors under the Company Voluntary Arrangement (“CVA”) pursuant to the decisions approved during the Creditors’ Meeting of 22 September 2022 (“CVA Shares”);
- (iii) Up to 80,180,180,180* new Shares to be issued to EHGOSF to satisfy £2,670,000 in unconverted drawdowns and certain fees pursuant to the £3 million financing facility (the “Financing Facility”) entered into on 28 September 2022 (“Financing Facility Shares”);
- (iv) Up to 22,027,027,027* new Ordinary Shares to be issued to Ott Ventures s.r.o and/or Ott Ventures USA, Inc. under the Management Services Agreement for outstanding fees as set out in the 2022 Accounts totalling, to date, £690,000 and a further £125,000 in part lieu of fees for the balance of the calendar year, being in aggregate £815,000 (“Management Service Agreement Shares”); and
- (v) Up to 36,038,525,658 new Ordinary Shares to be issued to EHGSOFF to satisfy the exercise of its Warrants under the Financing Facility (“Warrant Shares”).

*based on the Closing Price of £0.000037 on the Share Calculation Date

Use and estimated amount of net proceeds

No funds are being raised.

Underwriting

There are no underwriting arrangements.

Most material conflicts of interest pertaining to the offer or admission to trading, if any

There are no material conflicts of interest pertaining to the offer or admission to trading.

RISK FACTORS

The investment detailed in this document may not be suitable for all its recipients and involves a higher than normal degree of risk. Before making an investment decision, prospective investors are advised to consult an investment adviser authorised under the Financial Services and Markets Act 2000 who specialises in investments of the kind described in this document. Prospective investors should consider carefully whether an investment in the Company is suitable for them in the light of their personal circumstances and the financial resources available to them.

Before deciding whether to invest in Ordinary Shares, prospective investors should carefully consider the risks described below together with all other information contained in this document.

The risks referred to below are those risks the Company, the Directors consider to be the material risks relating to the Company. The risk factors described below may not be exhaustive. Additional risks and uncertainties relating to the Company that are not currently known to the Directors, or that are currently deemed immaterial, may also have an adverse effect on the Company's business. If this occurs the price of the Ordinary Shares may decline and investors could lose all or part of their investment.

Prospective investors should note that the risks relating to the Company, its industry and the Ordinary Shares summarised in the section of this document headed "Summary" are the risks that the Company believes to be the most essential to an assessment by a prospective investor of whether to consider an investment in the Ordinary Shares. However, as the risks which the Company faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in the section of this document headed "Summary" but also, among other things, the risks and uncertainties described below.

RISKS RELATING TO THE COMPANY AND ITS BUSINESS

Revenue, Profitability and Funding Risk

Iconic currently only has one asset, GSN, which is not cash generative and otherwise currently generates no revenues including from consultancy. The Company is therefore reliant upon the Financing Facility with EHGSOFF for its sole source of working capital.

The Financing Facility is subject to a number of conditions ("Conditions") including in particular:

- the shares of Iconic trade on the Main Market of the London Stock Exchange;
 - the closing market price of the Shares for each of the ten consecutive trading days falling immediately prior to the relevant closing date must be at least higher than 150% of the nominal value of Iconic's shares;
 - the average daily value traded of Iconic's shares (excluding 5% of the data points from the top and excluding 5% of the data points from the bottom of the data set) for the 20 trading days immediately prior to the applicable closing date must be at least £10,000;
 - from the fifth drawdown tranche onwards, Iconic having published a prospectus;
 - no binding commitment having been entered into by Iconic pursuant to which a change of control in Iconic would occur;
 - no occurrence that constitutes an event of default having occurred and is continuing;
 - the Board having the required authority
- (1) for the allotment and issue of at least 200% of such number of Shares as would be required upon conversion of all outstanding Notes together with the Notes to be issued pursuant to the relevant drawdown notice calculated by dividing the aggregate principal amount of all such Notes by the Closing VWAP as of the date of such drawdown notice; and
 - (2) to deviate from the Shareholders' pre-emption and/or preferential subscription right (as applicable) with respect to such number of Shares; and

- no payment is due by the Company to EHGOSF (or any of its Affiliates) and no delivery of Shares (or certificates evidencing such Shares) resulting from a conversion of Notes or exercise of any Warrants by EHGOSF (or any of its Affiliates) is outstanding.

At the Latest Practicable Date, the Company has a cash balance of approximately £50,000 and there currently remains approximately £2m available for drawdown under the Financing Facility. The expected ordinary course cash burn of the business is approximately £100,000 per month for the next 12 months.

However, it is possible that in the future certain of these conditions may not be met, some of which are outside the control of the Company, although it is not currently known when this may happen. As a result, in the event any such condition is not met, the Company may not be in a position to further drawdown on the Financing Facility. Although the Directors would endeavour to pursue certain options to mitigate the consequence of such breach there is no certainty that any such options could be achieved either in part or at all. In such an event the Company would need to wind down its operations, realise any assets and may enter administration, if and to the extent there are creditors of the Company who cannot be paid. In such an event, the Company would no longer manage the affairs of the Company or the realisation of its assets. As a result of either winding down the business or entering into administration, the Ordinary Shares would be cancelled from the Official List and Shareholders may receive little or no value for their Ordinary Shares.

Dilution and Pricing Risk

In the event that EHGOSF exercises its full rights under the Financing Facility for conversion of Loan Notes and Warrants into Shares, this could result in a significant holding in the Company by EHGOSF. However, EHGOSF's strategy is generally to sell shares in the market as soon as practicable following exercise of such rights and in any event under the Financing Facility, *inter alia*, EHGOSF cannot hold more than 29.9% of the Company. Accordingly, there is a risk that, should the Company seek to drawdown under the Loan Notes and EHGOSF thereafter exercise and sell Shares in significant amounts over a lengthy period, this could have a material negative impact on the price of the Shares.

Key Executive Risk

Given the wholesale change in the Board of Directors and executive team in February and March of 2021, coupled with the complexity of the restructuring, administration, CVA, and lifting of the trading suspension, there is a risk of Iconic not being able to retain key executives, which could adversely affect Iconic's operating and financial performance. Retaining and motivating Bradley Taylor (Chief Executive Officer) and David Štýbr (Executive Director) is a critical component of the future success of the business. Without the participation of these key executives, it is unlikely that the execution of the CVA, continued trading of the Company, and financing with EHGOSF can continue.

Copycat Website

A copycat website, www.gaystarnews.co.uk ("Copycat Website") was registered on 19 October 2022. Whilst it is not currently seeking to compete with the 'Gay Star News' brand created more than a decade ago, the operator of the Copycat Website has refused to deliver up the website. The Company has alerted the operators that any use of the Gay Star News brand will constitute passing off and breach of copyright but there is no certainty of a positive resolution to this dispute. If this dispute is not resolved, and the Copycat Website is not delivered up, it could result in lost website traffic and therefore a loss of revenue to the Company.

The Company is dependent upon advertising agencies to implement its growth strategy

The Company seeks to access a number of advertising agencies to implement its growth strategies. In the event that these do not wish to engage with the Company this could significantly impact the Company's ability to implement its growth strategies and/or could adversely impact profits.

Regulation of the internet and e-commerce is rapidly evolving and changes could adversely affect the Company's business

Regulation of the internet and e-commerce is rapidly evolving and there are an increasing number of directly applicable laws and regulations. It is possible that additional laws and regulations may be enacted with respect to the internet, covering issues such as user privacy, law enforcement, pricing,

taxation, content liability, copyright protection and quality of products and services. The adoption of new laws and regulations could have a material adverse effect on the Company's business, results of operations and financial condition. In particular, digital advertising is subject to complex regulation. The regulations vary by jurisdiction of operation, and are subject to continuous change, and compliance with such regulations and other legal requirements may be burdensome and costly. Changes to existing regulations could lead to increased costs or otherwise affect the Company's ability to generate revenues in a jurisdiction, for example, if a distribution channel ceases operations due to a change in existing regulation. In addition, the Company may face increased compliance costs and regulatory scrutiny each time it expands its operations into a new jurisdiction. In addition, any enquiries made, or proceedings initiated, by individuals or any regulator may lead to negative publicity and potential liability for the Company, which could have a material adverse effect on the business, results of operations and financial condition of the Company.

Global Economic Risk

The online media and publishing, technology, artificial intelligence, and data gathering, processing, and analytics sectors are susceptible to adverse developments in the global economy and particularly the UK economy where Iconic is located. The continual uncertainty over the war in Ukraine, the high inflationary environment and the threat of global recession, for example, may continue to delay spending by potential clients which may have a negative effect on the demand for services which could affect Iconic's revenues.

Potential Unrecorded Legacy Liabilities

As evidenced by the administration and disputes involving various key parties, there were significant legacy issues that predated management's arrival. Following the exit from administration and the entering into of confidential settlement agreements with various parties, the Directors consider that it is unlikely that there are any material unknown liabilities of Iconic, however there is the potential for unknown creditors to emerge which would increase the liabilities of the Company.

The Company will be dependent on the strength of its brand and its reputation and on developing these further and would suffer if this were not possible for any reason

A strong brand and reputation is vital to the Company growth strategies. Brand strength and awareness is important to generate new and subsequently retain custom. The management team are in the process of developing the brand and reputation but there can be no assurances that this will be successful. The actions of competitors, negative publicity involving the Company's management or any of its employees, a lack of sufficient funds or other factors may all adversely impact the brand or reputation. These in turn may have a materially adverse effect on the Company's business, prospects for growth and/or financial position.

Inability to contract with customers on the most favourable terms

The Company enters into contracts with a wide variety of companies, many of whom possess greater negotiating leverage than is currently available to the Company. The Company may be required to tolerate terms which are less favourable than might be anticipated, and which may also be governed by the laws of other jurisdictions, and this could intensify if the number of competitors increases, thereby potentially giving existing or prospective customers more options. Furthermore, if the Company enters into more onerous terms than it would ideally enter into, it may risk not being able to satisfy those terms. Breaching onerous terms or failing to secure the best commercial terms possible could have a material impact on the Company's business revenue, financial condition and profitability.

Access to further capital

Part of the Company's growth strategy is to identify and acquire similar businesses that are of a smaller scale and which are well-priced. In the longer-term, the Company is intending to grow the business organically and continue to identify and acquire similar businesses, albeit the Company anticipates such future acquisitions to be of a larger scale than those the Company is looking to make in the near-term. The Company's longer-term growth strategy may require additional funds in order to respond to business challenges, enhance existing services and complete any future acquisitions.

Accordingly, the Company may need to engage in equity or debt financings to secure additional funds. If the Company raises additional funds through further issues of equity or convertible debt securities, existing shareholders could suffer significant dilution, and any new equity securities could have rights, preferences, and privileges superior to those of current shareholders. Any debt financing secured by the Company in the future could involve restrictive covenants relating to its capital raising activities and other financial and operational matters, which may make it more difficult for the Company to obtain additional capital and to pursue business opportunities, including potential acquisitions. In addition, the Company may not be able to obtain additional financing on terms favourable to it, if at all. If the Company is unable to obtain adequate financing or financing on terms satisfactory to it, when required, its ability to continue to support its business growth and to respond to business challenges could be significantly limited or could affect its financial viability.

The Company may be unable to protect its intellectual property effectively from ownership challenge or misappropriation by others, including current or potential competitors

The Company's success and ability to compete depend, in part, upon its proprietary technology and other intellectual property, including the "Iconic" brand. The business, its logo, brand name, website domain names, content and proprietary technology underpinning the Company's website rely, *inter alia*, on the protection of registered domain names, copyright and trade secret laws. However, not all of the Company's intellectual property has been or can be protected by registration or protected by a patent, registered designs or trademarks.

If third parties independently discover the Company's trade secrets or access proprietary information or systems, the Company may not be able to rely on any intellectual property rights to prevent the use of such trade secrets, information or systems by such parties and this could have a material adverse effect on the Company's business, results of operations and financial condition.

In addition, effective trademark, copyright, patent, and trade secret protection may not be available in every jurisdiction in which the Company operates. Policing unauthorised use of the Company's proprietary information is difficult and expensive. As the Company expands into new jurisdictions, some of which may have less robust protections for intellectual property, the cost of protecting, and the risk of third-party infringement of, its intellectual property will likely increase.

The Company regards its copyrights, proprietary technology, domain names, customer databases and similar intellectual property as important to its business. The Company relies on copyright protection as well as written assignment of any intellectual property rights in order to protect its rights.

If the Company fails to register, renew or enforce its intellectual property rights, or there is any unauthorised use or significant impairment of its intellectual property rights, the value of its services could be diminished, the Company's competitive position could be adversely affected, and its business may suffer.

The Company may be the subject of claims of infringement of the rights of others or party to claims to determine the scope and validity of the intellectual property rights of others. Such claims, whether or not valid, could require the Company to spend significant sums in litigation, pay damages, re-brand or re-engineer services, acquire licences to third party intellectual property and distract management attention from the business.

Security breaches of the Company's or customer's systems

The Company is often required and authorised by its customers to work with confidential information in the deployment of their services. Although the Company employs security and testing measures for the software it deploys, these may not protect against all possible security breaches that could harm their business or that of its customers. Actual or perceived vulnerabilities may lead to claims against the Company. Any compromise of the Company's security could harm its reputation or financial condition and, therefore, its business. The Company endeavours to enter into customer contracts that limit the Company's liability; however, the Company may need to enforce these provisions to enjoy the benefit of them, with the associated risk and expense.

The Company may be at risk from cyber-attacks

The Company relies on information technology systems to conduct its operations. Because of this, the Company is at risk from cyber-attacks. If they suffer from a cyber-attack, it may incur significant

costs and suffer other negative consequences, such as remediation costs associated with repairing any damage caused, reputational damage and loss of investor confidence. Whilst the Company has never previously suffered a cyber-attack, it cannot be guaranteed that it will not suffer such an attack in the future or that procedures which the Company has put in place to protect against such an attack will be sufficient. If they suffer a cyber-attack, this could expose the Company to potential financial and reputational harm.

Key systems failure, disruption or interruption

The Company's dependency upon technology exposes them to significant risk in the event that such technology or their systems experience any form of damage, interruption or failure. Any malfunctioning of the Company's technology and systems, or those of key third parties, even for a short period of time, could result in a lack of confidence in the Company's services, with a consequential material adverse effect on their business, revenue, financial condition, profitability, prospects and results of operations.

The Company's systems are vulnerable to damage or interruption from events including, but not limited to:

- Natural disasters
- Power loss
- Telecommunication failures
- Software failures
- Computer hacking activities
- Acts of war or terrorism

Financing Options may be dilutive to shareholders or restrict operating activities

As the Company intends to finance any acquisition through the issue of Ordinary Shares as consideration and cash, such issue of shares will be dilutive to Shareholders. Further, it may be the case that Ordinary Shares issued as consideration may not be an acceptable proposal to the selling party, and the Company would then need to raise substantial additional financing in the future to fund any acquisition, capital expenditure and operating expenses, which will all be factors which will have an impact on the amount of additional capital required. As the Company needs to issue additional equity to meet the minimum market capitalisation of £30m to be eligible for re-admission of its Ordinary Shares on the Standard List segment following an acquisition, existing shareholders of the Company will be potentially diluted to a greater extent than if the Company were to list on another exchange where no such minimum market capitalisation of £30m is required. If the Company is unable to carry out an equity financing for cash, then the Company could, if such terms were acceptable, issue a larger number of consideration shares to the shareholders of the proposed target, which would also cause the existing shareholders of the Company to suffer a great level of dilution in the Company. The Company would only enter into a potential RTO if the expected enlarged market cap was greater than £30m and such that the £30m market capitalisation requirement under LR 2.2.7R could be satisfied.

Financing alternatives may include debt which may result in restrictions on operating activities, future financing, acquisitions and disposals. If the Company is unable to obtain potential additional financing as and when needed, it could result in the Company requiring additional capital from shareholders.

Implementation risks to achieve sustainable revenue

The Company currently has no assets producing positive cash flow and its ultimate success will depend on the Directors' ability to implement the strategy outlined in this prospectus, generate cash flow from the Company's investments and advisory services platform, and access equity and debt financing markets as the Company grows and develops. Whilst the Directors are optimistic about the Company's prospects, there is no certainty that anticipated outcomes and sustainable revenue streams will be achieved.

Anti-bribery and corruption

The Company has an anti-bribery and corruption policy in place; however, if the regulator were to have a suspicion an offence had taken place, and it was found that it had, the Company could be liable under section 7 of the Bribery Act 2010 for failing to have adequate procedures in place to prevent bribery. This may in turn have a negative impact on the Company's reputation, business, financial condition and prospects.

RISKS RELATING TO THE ORDINARY SHARES

No pre-emption rights

The Directors anticipate that the Company may issue a substantial number of additional Ordinary Shares to complete one or more acquisitions as part of its acquisition strategy described above.

Shareholders do not initially have the benefit of pre-emption rights in respect of the issues of future shares, which may be issued to facilitate any acquisitions and for other purposes. In addition, the Company may issue shares or convertible debt securities or incur substantial indebtedness to complete an acquisition, which may dilute the interests of Shareholders.

Any issue of Ordinary Shares, preferred shares or convertible debt securities may:

- significantly dilute the value of the Ordinary Shares held by existing Shareholders;
- cause a change of control ("**Change of Control**") if a substantial number of Ordinary Shares are issued, which may, *inter alia*:
- result in the resignation or removal of one or more of the Directors; and
- in certain circumstances, have the effect of delaying or preventing a Change of Control;
- subordinate the rights of holders of Ordinary Shares if preferred shares are issued with rights senior to those of Ordinary Shares; or
- adversely affect the market prices of the Company's Ordinary Shares.

If Ordinary Shares, preferred shares or convertible debt securities are issued as consideration for an acquisition, existing Shareholders will have no pre-emptive rights with regard to the securities that are issued. The issue of such Ordinary Shares, preferred shares or convertible debt securities is likely to materially dilute the value of the Ordinary Shares held by existing Shareholders. Where a target company has an existing large shareholder, an issue of Ordinary Shares, preferred shares or convertible debt securities as consideration may result in such shareholder subsequently holding a significant or majority stake in the Company, which may, in turn, enable it to exert significant influence over the Company (to a greater or lesser extent depending on the size of its holding) and could lead to a Change of Control.

Dilution of shareholders' interests in connection to the issuance of warrants

The Company has issued, and may continue to issue, warrants to fulfil its obligations in relation to the Financing Facility with EHGOSF which will result in dilution to Shareholders. Since trading in the Company's Ordinary Shares on the London Stock Exchange resumed, the Company has issued 6,458,946,078 Warrants and further Warrants may be issued under the Financing Facility over 29,579,579,580 new Ordinary Shares, based on a conversion price of the Shares of £0.0000333. The combined dilutive effect of such Warrants will result in an overall dilution of up to a maximum of 43.8 per cent. of the Existing Share Capital in the event that EHGOSF exercise its full conversion rights under the Financing Facility.

Dividend payments on the Ordinary Shares are not guaranteed and the Company does not intend to pay dividends prior to making an initial acquisition

To the extent the Company intends to pay dividends on the Ordinary Shares, it will pay such dividends following (but not before) making an initial an acquisition, at such times (if any) and in such amounts (if any) as the Board determines appropriate and in accordance with applicable law, but expects to be principally reliant upon dividends received on shares held by it in any operating subsidiaries in order to do so. Payments of such dividends will be dependent on the availability of any dividends or other distributions from such subsidiaries. The Company can therefore give no assurance that it will be able to pay dividends going forward or as to the amount of such dividends, if any.

RISKS RELATING TO TAXATION

Taxation of returns from assets located outside of the UK may reduce any net return to investors

To the extent that the assets, company or business which the Company acquires is or are established outside the UK, it is possible that any return the Company receives from it may be reduced by irrecoverable foreign withholding or other local taxes and this may reduce any net return derived by investors from a shareholding in the Company.

Changes in tax law and practice may reduce any net returns for Investors

The tax treatment of shareholders of the Company, any special purpose vehicle that the Company may establish and any company which the Company may acquire are all subject to changes in tax laws or practices in England and Wales or any other relevant jurisdiction. Any change may reduce any net return derived by Investors from a shareholding in the Company.

There can be no assurance that the Company will be able to make returns for Shareholders in a tax-efficient manner

The Company has made certain assumptions, in conjunction with advice from paid consultants, regarding taxation. However, if these assumptions are not correct, taxes may be imposed with respect to the Company's assets, or the Company may be subject to tax on its income, profits, gains or distributions (either on a liquidation and dissolution or otherwise) in a particular jurisdiction or jurisdictions in excess of taxes that were anticipated. This could alter the post-tax returns for Shareholders (or Shareholders in certain jurisdictions). The level of return for Shareholders may also be adversely affected. Any change in laws or tax authority practices could also adversely affect any post-tax returns of capital to Shareholders or payments of dividends (if any, which the Company does not envisage the payment of, at least in the short to medium term). In addition, the Company may incur costs in taking steps to mitigate any such adverse effect on the post-tax returns for Shareholders.

The risk factors listed above set out the material risks and uncertainties currently known to the Directors but do not necessarily comprise all of the risks to which the Company is exposed or all those associated with an investment in the Company. In particular, the Company's performance is likely to be affected by changes in the market and/or economic conditions and in legal, accounting, regulatory and tax requirements. There may be additional risks that the Directors do not currently consider to be material or of which they are currently unaware.

If any of the risks referred to above materialise, the Company's business, financial condition, results or future operations could be materially adversely affected. In such case, the price of its shares could decline, and investors may lose all or part of their investment.

CONSEQUENCES OF A STANDARD LISTING

The Company's Ordinary Shares are admitted to a listing on the standard segment of the Official List pursuant to Chapter 14 of the Listing Rules, which sets out the requirements for Standard Listings. As a consequence, a significant number of the Listing Rules will not apply to the Company. Shareholders will therefore not receive the full protection of the Listing Rules associated with a Premium Listing.

The Company will comply with Listing Principles 1 and 2 as set out in Chapter 7 of the Listing Rules, as required by the FCA and (notwithstanding that they only apply to companies with a Premium Listing) the Premium Listing Principles set out in Chapter 7 of the Listing Rules.

An applicant that is applying for a Standard Listing of equity securities must comply with all the requirements listed in Chapters 2 and 14 of the Listing Rules, which specify the requirements for listing for all securities. Where an application is made for the admission to the Official List of a class of shares, at least 10 per cent. of the shares of the class must be distributed to the public. Listing Rule 14.3 sets out the continuing obligations applicable to companies with a Standard Listing and requires that such companies' listed equity shares be admitted to trading on a regulated market at all times. Such companies must have at least 10 per cent. of the shares of any listed class in public hands at all times and the FCA must be notified as soon as possible if these holdings fall below that level.

The continuing obligations under Chapter 14 also include requirements as to:

- the forwarding of circulars and other documentation to the FCA for publication through to the National Storage Mechanism, and related notification to a regulatory information service authorised by the FCA ("RIS");
- the provision of contact details of appropriate persons nominated to act as a first point of contact with the FCA in relation to compliance with the Listing Rules and the Disclosure, Guidance and Transparency Rules;
- the form and content of temporary and definitive documents of title;
- the appointment of a registrar;
- notifying an RIS in relation to changes to equity and debt capital; and
- compliance with, in particular, Chapters 4, 5 and 6 of the Disclosure, Guidance and Transparency Rules.

As a company with a Standard Listing, the Company, following Admission, will not be required to comply with, among other things, the provisions of Chapters 6 and 8 to 13 of the Listing Rules, which set out more onerous requirements for issuers with a Premium Listing of equity securities. These include provisions relating to certain listing principles, the requirement to appoint a sponsor, various continuing obligations, significant transactions, related party transactions, dealings in own securities and treasury shares and contents of circulars.

The Company notes that in the case of an acquisition, the reverse takeover provisions set out in Listing Rule 5.6 may be triggered.

The Company will comply with Chapter 5 of the Listing Rules (suspending, cancelling and restoring listing and Reverse Takeovers). If the Company undertakes a Reverse Takeover, the Company's existing Standard Listing will be cancelled and the Company intend to apply for a new Standard Listing or a listing on another appropriate securities market or stock exchange. The granting of a new Standard Listing or a listing on another appropriate securities market or stock exchange following a Reverse Takeover cannot be certain. The Company may have its listing suspended in the event of a Reverse Takeover.

As mentioned above, while the Company has a Standard Listing, it is not required to comply with the provisions of, among other things:

- Chapter 6 of the Listing Rules containing additional requirements for the listing of equity securities, which are only applicable for companies with a Premium Listing;

- Chapter 8 of the Listing Rules regarding the appointment of a listing sponsor to guide the Company in understanding and meeting its responsibilities under the Listing Rules in connection with certain matters;
- Chapter 9 of the Listing Rules regarding continuous obligations for a company with a Premium Listing, which includes, *inter alia*, requirements relating to further issues of shares, the ability to issue shares at a discount in excess of 10 per cent. of market value, notifications and contents of financial information;
- Chapter 10 of the Listing Rules relating to significant transactions meaning any subsequent additional acquisitions by the Company, will not require Shareholder approval under this Chapter (although such approval may be required for the purposes of facilitating the financing arrangements or for other legal or regulatory reasons);
- Chapter 11 of the Listing Rules regarding related party transactions. However, the Company is obliged to comply with DTR7.3 relating to related party transactions. DTR7.3 requires the Company to establish and maintain adequate procedures, systems and controls to enable it to assess whether a transaction or arrangement with a related party is in the ordinary course of business and has been concluded on normal market terms, and: to (i) make an announcement; (ii) gain Board approval; and (iii) ensure the related party or their associates do not vote on any resolution, relating to material related party transactions;
- Chapter 12 of the Listing Rules regarding purchases by the Company of its Ordinary Shares; and
- Chapter 13 of the Listing Rules regarding the form and content of circulars to be sent to Shareholders.

IT SHOULD BE NOTED THAT THE FCA WILL NOT HAVE THE AUTHORITY TO AND WILL NOT MONITOR THE COMPANY'S COMPLIANCE WITH ANY OF THE PREMIUM LISTING PRINCIPLES WHICH THE COMPANY HAS INDICATED IN THIS DOCUMENT THAT IT INTENDS TO COMPLY WITH ON A VOLUNTARY BASIS, NOR TO IMPOSE SANCTIONS IN RESPECT OF ANY FAILURE BY THE COMPANY TO SO COMPLY. HOWEVER, THE FCA WOULD BE ABLE TO IMPOSE SANCTIONS FOR NON-COMPLIANCE WHERE THE STATEMENTS REGARDING COMPLIANCE IN THIS DOCUMENT ARE THEMSELVES MISLEADING, FALSE OR DECEPTIVE.

IMPORTANT INFORMATION, PRESENTATION OF FINANCIAL AND OTHER INFORMATION AND NOTICES TO INVESTORS

In deciding whether or not to purchase Ordinary Shares, prospective purchasers should rely only on their own examination of the Company and/or the financial and other information contained in this document.

Purchasers of Ordinary Shares must not treat the contents of this document or any subsequent communications from the Company or any of its respective affiliates, officers, directors, employees or agents as advice relating to legal, taxation, accounting, regulatory, investment or any other matters.

Prospective investors should inform themselves as to:

- the legal requirements within their own countries for the purchase, holding, transfer or other disposal of the Ordinary Shares;
- any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of the Ordinary Shares which they might encounter; and
- the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer or other disposal of the Ordinary Shares. Prospective investors must rely upon their own representatives, including their own legal advisers and accountants, as to legal, tax, investment or any other related matters concerning the Company and an investment therein.

No person has been authorised to give any information or make any representations other than as contained in this document and, if given or made, such information or representations must not be relied on as having been so authorised. Without prejudice to the Company's obligations under the FSMA, Prospectus Regulation Rules, Listing Rules and Disclosure Guidance and Transparency Rules, neither the delivery of this document nor any subscription made pursuant to it will, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this document or that the information in it is correct as at any time subsequent to its date.

This document comprises a prospectus relating to the Company prepared in accordance with the Prospectus Regulation Rules and has been approved by the FCA under section 87A of FSMA. This document has been filed with the FCA and made available to the public in accordance with Rule 3.2 of the Prospectus Regulation Rules. No arrangement has however been made with the competent authority in any member state of the EEA or any other jurisdiction for the use of this document as an approved prospectus in such jurisdiction and accordingly no public offer is to be made in such jurisdiction.

This document does not constitute, and may not be used for the purposes of, an offer to sell or an invitation to subscribe for or the solicitation of an offer to buy or subscribe for, any Ordinary Shares by any person in any jurisdiction: (i) in which such offer or invitation is not authorised; (ii) in which the person making such offer or invitation is not qualified to do so; or (iii) in which, or to any person to whom, it is unlawful to make such offer, solicitation or invitation. The distribution of this document and the offering of the Ordinary Shares in certain jurisdictions may be restricted. Accordingly, persons outside the UK into whose possession this document comes are required by the Company to inform themselves about, and to observe any restrictions as to the offer or sale of Ordinary Shares and the distribution of this document under, the laws and regulations of any territory in connection with any applications for Ordinary Shares, including obtaining any requisite governmental or any other consent and observing any other formality prescribed in such territory.

No action has been taken or will be taken in any jurisdiction by the Company or the Directors that would permit a public offering of the Ordinary Shares in any jurisdiction where action for that purpose is required, nor has any such action being taken with respect to the possession or distribution of this document other than in any jurisdiction where action for that purpose is required. Accordingly, the Ordinary Shares may not be offered or sold, directly or indirectly, and neither this document nor any other offering material or advertisement in connection with the Ordinary Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any and all applicable rules and regulations of any such country or jurisdictions. Any failure to comply with this restriction may constitute a violation of the securities

laws of any such jurisdiction. Neither the Company nor any of the Directors accepts any responsibility for any violation of any of these restrictions by any other person.

An investment in the Company should be regarded as a long-term investment. There can be no assurance that the Company's objectives will be achieved.

It should be remembered that the price of the Ordinary Shares, and any income from such Ordinary Shares, can go down as well as up.

This document should be read in its entirety before making any investment in the Ordinary Shares. All Shareholders are entitled to the benefit of, are bound by, and are deemed to have notice of, the provisions of the Articles, which prospective investors should review.

FORWARD-LOOKING STATEMENTS

Some of the statements under "*Summary*", "*Risk Factors*", "*Part I: Information on the Company, Investment Opportunity and Strategy*" and elsewhere in this document include forward-looking statements which reflect the Company's or, as appropriate, the Directors' current views, interpretations, beliefs or expectations with respect to the Company's financial performance, business strategy and plans and objectives of management for future operations. These statements include forward-looking statements both with respect to the Company and the sector and industry in which the Company proposes to operate. Statements which include the words "expects", "intends", "plans", "believes", "projects", "anticipates", "will", "targets", "aims", "may", "would", "could", "continue", "estimate", "future", "opportunity", "potential" or, in each case, their negatives, and similar statements of a future or forward-looking nature identify forward-looking statements.

All forward-looking statements address matters that involve risks and uncertainties because they relate to events that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. Accordingly, there are or will be important factors that could cause the Company's actual results, prospects and performance to differ materially from those indicated in these statements. In addition, even if the Company's actual results, prospects and performance are consistent with the forward-looking statements contained in this document, those results may not be indicative of results in subsequent periods. Important factors that may cause these differences include, but are not limited to:

- the Company's ability to implement effective growth strategies for its business;
- the Company's ability to ascertain the merits or risks of the operations of its business;
- the Company's ability to deploy the net proceeds on a timely basis;
- changes in economic conditions generally;
- impairments in the value of the Company's assets;
- the availability and cost of equity or debt capital for future transactions;
- changes in interest rates and currency exchange rate fluctuations, as well as the success of the Company's hedging strategies in relation to such changes and fluctuations (if such strategies are in fact used); and
- legislative and/or regulatory changes, including changes in taxation regimes.

Risks and uncertainties which are material and known to the Directors are listed in the section of this document headed "*Risk Factors*", which should be read in conjunction with the other cautionary statements that are included in this document.

Any forward-looking statements in this document reflect the Company's, or as appropriate, the Directors' current views with respect to future events and are subject to these and other risks, uncertainties and assumptions relating to the Company's future business, results of operations, financial conditions and growth strategy. For the avoidance of doubt, nothing in this paragraph qualifies the working capital statement set out in paragraph 9 of Part IV: *Additional Information* of this document.

These forward-looking statements speak only as of the date of this document. Subject to any obligations under the Prospectus Regulation Rules, MAR, the Listing Rules and the Disclosure Guidance and Transparency Rules and except as required by the FCA, the London Stock Exchange, the City Code or applicable law and regulations, the Company undertakes no obligation

publicly to update or review any forward-looking statement, whether as a result of new information, future developments or otherwise. All subsequent written and oral forward-looking statements attributable to the Company or individuals acting on behalf of the Company are expressly qualified in their entirety by this paragraph. Prospective investors should specifically consider the factors identified in this document which could cause actual results to differ before making an investment decision.

NOTICE TO US SHAREHOLDERS AND SHAREHOLDERS IN CERTAIN RESTRICTED JURISDICTIONS

The Ordinary Shares have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission in the US or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Ordinary Shares or the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the US.

The Ordinary Shares have not been and will not be registered under the Securities Act, or under the securities laws or with any securities regulatory authority of any state or other jurisdiction of the United States or of Australia, Canada, Japan, New Zealand, the Republic of Ireland or the Republic of South Africa, or any province or territory thereof. Subject to certain exceptions, the Ordinary Shares may not be taken up, offered, sold, resold, reoffered, pledged, transferred, distributed or delivered, directly or indirectly, and this document may not be distributed by any means including electronic transmission within, into, in or from the United States, Australia, Canada, Japan, New Zealand, the Republic of Ireland or the Republic of South Africa or to for the account of any national, resident or citizen of the United States or any person resident in Australia, Canada, Japan, New Zealand, the Republic of Ireland or the Republic of South Africa except in accordance with the laws of such jurisdiction. The Ordinary Shares may only be offered or sold in offshore transactions as defined in and in accordance with Regulation S promulgated under the Securities Act. Acquirers of the Ordinary Shares may not offer to sell, pledge or otherwise transfer the Ordinary Shares in the United States, or to any US Person as defined in Regulation S under the Securities Act, including resident corporations, or other entities organised under the laws of the United States, or non-US branches or agencies of such corporations unless such offer, sale, pledge or transfer is registered under the Securities Act, or an exemption from registration is available. The Company does not currently plan to register the Ordinary Shares under the Securities Act.

The ability of an Overseas Shareholder to bring an action against the Company may be limited under law. The rights of holders of Ordinary Shares are governed by English law and by the Articles. These rights differ from the rights of shareholders in typical US corporations and some other non-UK corporations.

NOTICE TO EEA SHAREHOLDERS

In relation to each member state of the EEA (each, a “**relevant state**”) with effect from and including the date on which the Prospectus Regulation came into force in the relevant state (the “**relevant date**”), no Ordinary Shares have been offered or will be offered to the public in that relevant state prior to the publication of a prospectus in relation to the Ordinary Shares which has been approved by the competent authority in that relevant state, where appropriate, approved in another relevant state and notified to the competent authority in the relevant state, all in accordance with the Prospectus Regulation, except that with effect from and including the relevant implementation date, offers of Ordinary Shares may be made to the public in that relevant state at any time:

- (a) to any legal entity which is a qualified investor as defined under Article 2 of the Prospectus Regulation;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of the Prospectus Regulation) in such relevant state; or
- (c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Ordinary Shares shall result in a requirement for the publication by the Company of a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purpose of these provisions, the expression an “offer to the public” in relation to any Ordinary Shares in any relevant state means the communication in any form and by any means of sufficient information and any Ordinary Shares to be offered so as to enable an investor to decide to purchase any Ordinary Shares, as the same may be varied in that relevant state.

In the case of any Ordinary Shares being offered to a financial intermediary as that term is used in Article 5(1) of the Prospectus Regulation, such financial intermediary will also be deemed to have represented, acknowledged and agreed that the Ordinary Shares acquired by it have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of any Ordinary Shares to the public other than their resale in a relevant state to qualified investors as so defined or in circumstances in which the prior consent of the Company has been obtained to each such proposed offer or resale. Each of the Company and its respective affiliates, and others, will rely upon the truth and accuracy of the foregoing representation, acknowledgement and agreement.

NOTICE TO OVERSEAS SHAREHOLDERS

An Overseas Shareholder may not be able to enforce a judgment against some or all of the Directors and executive officers. The Company is incorporated under the laws of England and Wales and some of the Directors are residents of the UK. Consequently, it may not be possible for an Overseas Shareholder to effect service of process upon the Directors within the Overseas Shareholder’s country of residence or to enforce against the Directors judgments of courts of the Overseas Shareholder’s country of residence based on civil liabilities under that country’s securities laws. There can be no assurance that an Overseas Shareholder will be able to enforce any judgments in civil and commercial matters or any judgments under the securities laws of countries other than the UK against the Directors who are residents of the UK or countries other than those in which judgment is made. In addition, English or other courts may not impose civil liability on the Directors in any original action based solely on the foreign securities laws brought against the Company or the Directors in a court of competent jurisdiction in England or other countries.

NOTICE TO ALL SHAREHOLDERS

Copies of this document will be available on the Company’s website www.iconiclabs.co.uk from the date of this document until the date which is one month from the date of Admission.

THIRD PARTY INFORMATION

Where information contained in this document has been sourced from a third party, the Company confirms that such information has been accurately reproduced and, so far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

DATA PROTECTION

The Company may delegate certain administrative functions to third parties and will require such third parties to comply with data protection and regulatory requirements of any jurisdiction in which data processing occurs. Such information will be held and processed by the Company (or any third party, functionary or agent appointed by the Company) for the following purposes:

- (a) verifying the identity of the prospective investor to comply with statutory and regulatory requirements in relation to anti-money laundering or anti terrorism procedures;
- (b) carrying out the business of the Company and the administering of interests in the Company;
- (c) meeting the legal, regulatory, reporting and/or financial obligations of the Company in the United Kingdom or elsewhere; and
- (d) disclosing personal data to other functionaries of, or advisers to, the Company to operate and/or administer the Company.

Where appropriate, it may be necessary for the Company (or any third party, functionary or agent appointed by the Company) to:

- (a) disclose personal data to third party service providers, agents or functionaries appointed by the Company to provide services to prospective investors; and

- (b) transfer personal data outside of the EEA to countries or territories which do not offer the same level of protection for the rights or freedoms of prospective investors as the United Kingdom.

If the Company (or any third party, functionary or agent appointed by the Company) discloses personal data to such a third party, agent or functionary and/or makes such a transfer of personal data it will use reasonable endeavours to ensure that any third party, agent or functionary to whom the relevant personal data is disclosed or transferred is contractually bound to provide an adequate level of protection in respect of such personal data.

In providing such personal data, investors will be deemed to have agreed to the processing of such personal data in the manner described above. Prospective investors are responsible for informing any third party individual to whom the personal data relates of the disclosure and use of such data in accordance with these provisions.

DEFINED TERMS

Except for certain names of natural persons and legal entities and capitalised terms that need no further explanation, the capitalised terms used in this document, including capitalised abbreviations, are defined or explained in *Part V: Definitions*, starting on page 55 of this document.

CURRENCY

Unless otherwise indicated, all references in this document to “GBP”, “£”, “pounds sterling”, “pounds”, “sterling”, “pence” or “p” are to the lawful currency of the United Kingdom.

NO INCORPORATION OF WEBSITE TERMS

Except to the extent expressly set out in this document, neither the content of the Company's website or any other website nor the content of any website accessible from hyperlinks on the Company's website or any other website is incorporated into, or forms part of, this document.

GOVERNING LAW

Unless otherwise stated, statements made in this document are based on the law and practice currently in force in England and Wales and are subject to changes in such laws.

VALIDITY OF PROSPECTUS

The prospectus was approved on 8 August 2023 and is valid for a period of one year from that date. The prospectus will therefore cease to be valid on 8 August 2024. Should a significant new factor occur, or material mistake or inaccuracy be identified during the validity period, the Company would be required to issue a supplement in accordance with the Prospectus Regulation Rules. After the period of validity has expired, the Company is no longer under an obligation to issue such a supplement.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this document 8 August 2023

All references to time in this Document are to London time unless otherwise stated.

ILLUSTRATIVE ISSUE STATISTICS

Number of Existing Ordinary Shares	46,306,916,660
Maximum number of Settlement Shares to be issued to Linton and EHGSOF under the Settlement Deed*	45,045,045,045
Maximum number of Financing Facility Shares to be issued to EHGSOF under the Financing Facility*	80,180,180,180
Maximum Number of Management Service Agreement Shares to be issued to Ott Ventures s.r.o and/or Ott Ventures USA, Inc. under the Management Services Agreement*	22,027,027,027
Maximum number of Warrant Shares to be issued to EHGSOF under the Financing Facility*	36,038,525,658
Maximum Number of CVA Shares to be issued to unsecured creditors under the CVA	1,674,130,609

*based on the Closing Price of £0.000037 on the Share Calculation Date

DEALING CODES

The dealing codes for the Ordinary Shares will be as follows:

LEI	213800YCXZV6RSHGGT04
ISIN	GB00BD060S65
SEDOL	BD060S6
TIDM	ICON

DIRECTORS, AGENTS AND ADVISERS

Directors	Bradley Tyler Taylor (Chief Executive Officer) David Štýbr (Executive Director) Marija Hrebac (Independent Non-Executive Director) Emmanuel Blouin (Independent Non-Executive Director) <i>All of whose business address is at the Company's registered office.</i>
Company Secretary	AMBA Secretaries Limited 400 Thames Valley Park Drive Reading Berkshire RG6 1PT
Registered Office	7 Bell Yard London WC2A 2JR
Financial Adviser	Novum Securities Limited 2nd Floor, 7-10 Chandos Street London W1G 9DQ
UK Solicitors to the Company	RWK Goodman LLP 69 Carter Lane London EC4V 5EQ
Reporting Accountants	Nordens Limited The Retreat, 406 Roding Lane South Woodford Green Essex IG8 8EY
Auditors	Nordens Audit Limited The Retreat, 406 Roding Lane South Woodford Green Essex IG8 8EY
Registrar	SLC Registrars Limited Elder House St Georges Business Park Brooklands Road Weybridge KT13 0TS
Website	<i>https://www.iconiclabs.co.uk/</i>

PART I

INFORMATION ON THE COMPANY, ITS BUSINESS AND STRATEGY

1. Introduction

In July 2016 Iconic was admitted to the Official List (by way of Standard Listing under Chapter 14 of the Listing Rules) and to trading on the London Stock Exchange's Main Market for listed securities.

Prior to entering administration, Iconic operated as a multi-divisional new media and technology business. At that time, a significant portion of Iconic's revenues were generated by providing strategic advisory services to companies in the online social media and publishing sectors with a model of developing content and distribution channels to qualified influential audiences. For 2021, the last year that Iconic generated revenues prior to entering administration, of its £550,000 in revenues, £460,000 were derived by providing these strategic advisory services. Another division undertook a strategy of acquiring businesses in these sectors.

In addition, Iconic had acquired GSN and was in the process of developing it when management changes and the administration rendered GSN dormant until now.

On 4 June 2021, the Company was placed into administration and as result the listing in its shares was suspended on 7 June 2021. The Company agreed a Company Voluntary Arrangement ("CVA") with the joint administrators which was approved at a creditors' meeting on 22 September 2022. This subsequently led to the administration being ended on 8 November 2022 and the Company returning to the being controlled by the directors. The trading suspension was lifted on 24 January 2023.

Now that the Company has exited administration and trading has resumed on the London Stock Exchange, it is resuming this strategy of developing businesses in, providing advisory services to, and identifying acquisitions opportunities of technology driven companies in the online media and publishing sectors. It also plans to expand its advisory services and acquisition focus into the wider technology, artificial intelligence, and big data gathering, processing and analytics sectors.

The Company's current sole asset is Gay Star News ("GSN"), an online media platform dedicated to the LGBTQ+ community. The Company is continuing to develop GSN with strategic partners.

2. Business Overview

Advisory Services

Now that the Company has exited administration and the trading of its shares has resumed, the Company plans to resume this historical revenue generating offering by identifying companies in the online media, artificial intelligence, and big data gathering, processing and analysis sectors with which it can enter into advisory services contracts.

Many of these companies are in the early stages of growth. They have successfully developed a product and a market and have begun to acquire customers. They may have technological or operational advantages but are unable to grow and scale rapidly or internationally for various reasons including the fragmented, localised, and isolated nature of their business models, competitors, and markets. In addition, they often do not have the expertise or the time to properly develop the underlying systems and strategies necessary to institute corporate stability and implement long-term growth plans.

The Company has at its disposal executives with the experience and expertise required to put in place the requisite systems, identify and overcome any issues that may be impeding the progress of these companies, and implement business plans and strategies required to ensure corporate stability and long-term growth.

In particular, based on the experience and expertise of its executives, the Company will offer the following services to the companies that it will work with:

- Executive management and board of directors' participation;
- Working with advisors and personnel on restructuring, dispute resolution, and commercial negotiation issues;

- Working with auditors and accountants on financial reporting;
- Strategic growth, revenue generation, sales and marketing;
- Business plan development;
- Implementation of administrative, corporate structuring, IT, HR, IP, secretarial, and corporate governance functions;
- Identification of commercial partners and clients;
- Identification of potential sources of debt and equity;
- Communications and market research; and
- Investor relations.

GSN

GSN is an online social media and news aggregating platform tailored to the LGBTQ+ community but is inclusive of everyone. GSN was acquired in August of 2019 for £33,000 through the Company's wholly owned subsidiary Nuuco Media Limited ("**Nuuco Media**"). However, the brand had been in use for several years before that time.

At the time of its acquisition, GSN was in the top three of LGBTQ+ publishers in the UK and had a strong social presence on Facebook of approximately 800,000 followers. News articles were published on the GSN Facebook page and revenue was being generated via display advertising from the Facebook advertising network. It had support from a strong celebrity base and had pioneered campaigns and events with global exposure. However, GSN had entered administration due to financial difficulties.

The Company recognised GSN as a valuable acquisition opportunity. Despite the liquidation proceedings, GSN had generated unaudited revenues in the fiscal year of 2018 of more than £500,000. Recognising the exceptional value, the Company therefore acquired GSN from the appointed liquidators and began to relaunch, rebrand, and rebuild GSN with a redesigned website in early 2020 that soon had more than one million followers and also began securing the underlying client relationships.

By the end of 2020, the former Company management had left and by early 2021 all Company employees, including those associated with GSN, had also left. GSN therefore went dormant and new personnel with the expertise to relaunch it were not hired because the Company soon entered administration.

Now that the Company has exited administration and trading of its shares has resumed, the Company is once again focused on the growth of GSN. As part of the various settlement agreements with former management, the Company agreed to outsource the management of GSN to Greencastle MM LLP ("**Greencastle**") given their history and expertise in managing GSN. Greencastle will receive monthly management fees from any revenues that GSN generates up to £25,000 and then Greencastle and the Company will split monthly revenues more than £25,000 with 80% to Greencastle and 20% to the Company. Finally, Greencastle has an option to acquire GSN for the higher of (i) £50,000; or (ii) the present value of a 3-year cash flow forecast discounted at a rate of 15% using as a basis for such forecast the cash flow of the 3 months preceding Greencastle exercising the option.

At present, the Company is actively in the process of (i) updating the GSN website and bringing it back to the market via Facebook, Twitter and Instagram to generate followers and potential advertising revenue; (ii) expanding its content offerings; (iii) policing the GSN trademark; and (iv) identifying commercial partners to negotiate with regarding adding content to the website.

3. Strategy and strategic objectives

At present, the Company only has one asset, GSN, a platform dedicated to providing media curated for the LGBTQ+ community. The Company's strategic objective regarding GSN is to relaunch it with the aim that it becomes the premier LGBTQ+ platform for news, social media, events, restaurants, travel, and technology information. The value of GSN will be dependent upon the Company's ability to generate, analyse, and curate valuable content through data scraping, freelance journalists, social media and marketing personnel as the LGBTQ+ community increasingly recognises the value of the

content, clicks, views, and subscriptions will increase. From there, the Company can look to expand GSN into the following revenue generating segments:

- a) *E commerce* – Work in collaboration with online media brands division and utilise the feedback loops to inform production and sale of consumer products;
- b) *Content Studio* – Create original video formats that are piloted on social media and further developed for viewing on TV and platforms such as Netflix;
- c) *Content Licensing* – License User Generated Content created by users who have posted it to social media and resell to brands and production houses internationally; and
- d) *Tech Product Development* – Use insights gained from owned and operated media audiences to drive development of innovative and forward-thinking products.

The primary competitors to GSN in this market are the publications such as Pink News, Gay Times and Attitude.

GSN currently operates in the UK digital media and advertising sector and markets, but could look to expand such operations into Europe over the next two years. The short-term goals include getting GSN relaunched early in the third quarter of 2023 and building on its 800,000 subscribers, with a goal of 50,000 more subscribers by year end. Longer term, throughout 2024, the Company's goal is to increase the subscribers to a total of 1,000,000.

In addition, as referenced above, the Company is developing the strategy to provide strategic advisory services contracts with various entities in the media and technology space. This would allow the Company to not only provide valuable strategic, content development, distribution, financial, and growth advice to these entities, but also permit the Company to study and conduct due diligence on these entities to determine if strategic partnerships or acquisitions would be a valuable strategy.

A typical example of working with a client may include the following:

- a) *Monthly Insights* – Data analysis enables the brand to have a better understanding of what was working on their own digital and social channels whilst also being prepared to react to their competitors' content.
- b) *Content Creation & Distribution* – Work closely with insights to produce content that can be distributed across various social channels.
- c) *Post Campaign Analysis* – Analysis to establish sentiment and content performance to ensure insightful, creative and efficient future campaigns.

While advisory services fees and the revenue sharing potential of GSN can bring certain revenues for the Company, the Directors are also reviewing potential acquisition targets in order to create additional shareholder value. These companies are in sectors that have the potential for rapid, international growth and for bolt-on where there is a high potential for additional acquisitions. All such discussions remain at an early stage.

It is anticipated that the consideration for any acquisition would be an issue of equity in the Company. In the event that the enlarged group requires additional working capital this may be funded either from the Financing Facility or through an equity capital fundraise. Should the latter be required, an acquisition would only be completed conditional upon such an equity capital fundraise.

GSN and advisory services activities will be run and supervised by the Company's management, Brad Taylor and David Štýbr. Apart from them, the Company is not dependent on any other individual.

The business activities of the Company are not currently materially dependent or sensitive to GSN given it is not revenue generating. As stated above it is the intention to relaunch GSN early in Q3 2023 with the aim of achieving a total subscriber base of 850,000 by the end of 2023, and in the longer term, 1,000,000. The contribution of GSN would however be non-material at these levels given the current agreement terms with Greencastle and Joe's Media Group which operates GSN.

Advisory services activities have the potential to be more material to the performance of the Company.

Furthermore, another component to the business plan is a combination of generating valuable content and monetising that content and subscriber base further through other digital media platforms to be identified. The Directors are very focused on delivering these initiatives in partnership with Greencastle and possibly other partnerships. The Company does operate in a competitive environment and traction may be slower than hoped for in respect of these initiatives.

4. Reasons for the Prospectus

This prospectus is being produced to provide the Company with the ability to issue further Shares under the Prospectus Regulation Rules related to the following four matters that are consequences of the Company's successful exit from administration and renewed trading on the London Stock Exchange:

- (i) Up to in aggregate 45,045,045,045 Settlement Shares.
- (ii) 1,674,130,609 CVA Shares;
- (iii) Up to 80,180,180,180 Financing Facility Shares;
- (iv) Up to 22,027,027,027 Management Service Agreement Shares; and
- (v) Up to 36,038,525,658 Warrant Shares.

At the time the Company resumed trading on 24 January 2023, there were 37,405,248,039 shares issued and outstanding and there were authorities in place to issue 50,337,156,108 Ordinary Shares.

Since trading resumed, EHGOSF has converted £530,000 of Notes under the Financing Facility resulting in the Company issuing a total of 8,901,668,621 new Ordinary Shares to EHGOSF. In addition, the Company has also issued 6,458,946,078 Warrants to EHGO.

(i) Settlement Deed Notes

Under the terms of the 23 August 2022 Settlement Deed, the Company was required to issue £750,000 in convertible notes to EHGOSF and £750,000 in convertible notes to Linton Capital LLP ("**Linton**"), which the Company undertook pursuant to the terms of the Deed of Issuance and Subscription in respect of Notes Convertible into New Shares also dated 23 August 2022 (the "**Deed of Issuance**" or "Settlement Deed").

EHGOSF and Linton were each issued 150 Notes with a nominal value of £5,000 per Note. The Notes have a maturity date that is 18 months from the date of the publication of this prospectus. EHGOSF and Linton can each only convert 15 Notes, or £75,000 in nominal value, per month, for a total of 30 Notes and £150,000 in nominal value per month. The number of shares to be issued pursuant to a conversion notice shall be determined as the nominal value converted divided by the conversion price where the conversion price shall be the higher of (a) the nominal value of the Iconic shares; or (b) 90% of the lowest VWAP of the Iconic shares during the 15 trading days preceding the date of the conversion notice.

(ii) CVA Shares

During the creditors' meeting in connection with the CVA held on 22 September 2022, the unsecured creditors voted to discount all of their claims against Iconic by 75% and exchange those claims into new shares at a rate of £0.00016 per share resulting in the requirement to issue 1,674,130,609 Shares to the unsecured creditors under the CVA.

(iii) New EHGO Financing Facility

On 28 September 2022 Iconic entered into the Financing Facility with EHGOSF. The Financing Facility can be drawn down in up to 14 sequential tranches over a maximum period of 18 months and each Note has a duration of 24 months as from its date of issue.

Under the Financing Facility, EHGOSF will provide Iconic with up to £3 million by subscribing for up to 3,000 Notes, each with a par value of £1,000, convertible into new Ordinary Shares in the Company, with Warrants attached. Each Note is convertible into shares of Iconic at a conversion price equal to the highest of a) 90% of the lowest volume-weighted average price of the 15 trading days prior to delivery of a conversion notice and b) the nominal value of the shares. Iconic is to pay a commitment fee of £ 150,000 in Notes under the terms of the Financing Facility. On termination of the Financing Facility Iconic has an obligation to pay EHGOSF an administration fee in the total

aggregate amount of 20 per cent. of the principal amount of all Notes outstanding at the time of the termination.

The Financing Facility is subject to Iconic complying with certain obligations and conditions precedent, including:

- With respect to the fourth tranche onwards, that the suspension of Iconic's Shares from trading on the London Stock Exchange be lifted within 3 months of the agreement being entered into, and that the shares of Iconic recommence trading on Main Market of the London Stock Exchange (the "**Commencement of Trading**"). While it took more than 3 months, trading resumed on 24 January 2023 and EHGOSF agreed that this condition had been met.
- From the first tranche following the Commencement of Trading onwards:
 - the closing market price of the shares for each of the ten consecutive trading days falling immediately prior to the relevant closing date must be at least higher than 150 per cent. of the nominal value of Iconic's shares; and
 - the average daily value traded of Iconic's shares (excluding 5 per cent. of the data points from the top and excluding 5 per cent. of the data points from the bottom of the data set) for the 20 trading days immediately prior to the applicable closing date must be at least £ 10,000.
- From the fifth Tranche onwards, Iconic having published a prospectus;
- No binding commitment having been entered into by Iconic pursuant to which a change of control in Iconic would occur; and
- No occurrence that constitutes an event of default having occurred and is continuing.

The Warrants will amount to 50% of the financing provided by EHGOSF such that the number of Warrants will be equal to 50% of the principal amount of the Notes divided by the Warrant exercise price.

Before the trading suspension on Iconic's Shares was lifted and trading resumed, the Warrant exercise price was equal to the share price immediately prior to suspension, or £0.00016 per share.

Once the trading suspension was lifted and trading resumed, the warrant exercise price was equal to 120 per cent. of the share volume weighted average price of the shares over the 15 trading days immediately preceding the relevant subscription or issuance request.

As of the date of this prospectus, Iconic has drawn down a total of £1,030,000 under the Financing Facility (minus £30,000 from the first tranche of £250,000 for fees to EHGOSF) and issued a corresponding 1,030 Notes along with Warrants. As set out above, EHGOSF has converted £530,000 of Notes under the Financing Facility resulting in the Company issuing a total of 8,901,668,621 new Shares to EHGOSF. In addition, the Company has also issued 6,458,946,078 Warrants to EHGOSF.

(iv) Management Service Agreement Shares

As set out in the 2022 Accounts, all management services for the Company, including, but not limited to, financial and corporate restructuring, negotiations with the joint administrators and creditors, implementation of the CVA, settlement of all outstanding disputes, negotiation with EHGOSF for financing, corporate governance, administration and accounting, Shareholder meetings, identification of potential acquisitions, strategic development, relations with the FCA and LSE, and communications to the marketplace are being rendered to Iconic pursuant to a Management Services Agreement (the "**MSA**") effective on 1 February 2021 with Ott Ventures, s.r.o. and Ott Ventures USA Inc. (the "**Ott Companies**") for a total of £50,000 per month. Brad Taylor is connected to Ott Ventures USA by virtue of being a Director of the Company, and having an indirect shareholding through a company in which he has a beneficial interest.

As at 30 June 2022, Ott Ventures s.r.o. was due fees totalling £365,000 under the MSA and had submitted a claim for £270,000 in unpaid fees under the CVA. As with all unsecured creditors, Ott Ventures s.r.o. will receive Iconic shares at £0.25 per £1.00 of claims at an exchange rate of £0.00016 per share under the CVA in full satisfaction of this £270,000 claim.

On 1 October 2022, only after the CVA had been approved by both the creditors and shareholders, settlements of all disputes had been executed, and a new £3 million Financing Facility with EHGOSF had been signed, did the Ott Companies invoice Iconic £365,000 as a success fee for the extensive restructuring and settlement work they had performed up to 30 September 2022. Given that the cash priorities at this time involve making payments to the preferential and critical creditors under the CVA and paying the costs and expenses related to the CVA, the Ott Companies have not yet been paid by Iconic related to this £365,000 success fee. In October of 2022, the Ott Companies also resumed invoicing Iconic £50,000 per month under the MSA. However, in an effort again to manage the Company's cash flow, the Ott Companies have only been paid 7 payments of £25,000 per month over the past 10 months in cash between October 2022 and July 2023 from the first six tranches of the new £3 million Financing Facility with EHGOSF.

The Ott Companies are being compensated in line with the time commitment and responsibilities their personnel are providing to Iconic. This compensation is similar to that provided to firms whose senior executives are engaged in the complex restructuring, CVA, stabilisation, settlement, and strategic business planning required to manage publicly listed companies involved in similarly distressed situations as Iconic.

On 23 February 2023, the Iconic Board of Directors, following a proposal from the Ott Companies, resolved that the Company would: (i) convert the Ott Companies' outstanding £365,000 success fee plus £125,000 in monthly management fees (for October, November and December of 2022 and January and February of 2023) into new Shares at the 10-day average VWAP preceding the date that the conversion into shares will take place; and (ii) convert any further outstanding monthly management fees between the date of the 23 February 2023 board meeting until the conversion can take place following the publication of this prospectus into new shares at the 10-day average VWAP preceding the date that the conversion into shares will take place. As such, as of the date of this prospectus, the Ott Companies are due a total of £690,000 from the Company and have agreed to receive this amount through the issue of Shares instead of cash.

The Ott companies may elect to take future compensation as Ordinary Shares instead of cash for up to 12 months from the date of this Document.

5. Dividend policy

The Company intends that the Company's cash resources will be used for the operation, development and expansion of the Company's business following Admission. The Board believes that the majority of earnings in the short term will be retained for use in business operations, not being distributed until the Company has an appropriate level of distributable profits. It does not therefore anticipate that any dividends will be paid in the short term. The declaration and payment by the Company of any dividends and the amount of them will be in accordance with, and to the extent permitted by, all applicable laws and will depend on the results of the Company's operations, its financial position, cash requirements, prospects, profits available for distribution and other factors deemed to be relevant at the time.

6. Trends

The Directors closely follow the trends and developments in the online media and publishing, technology, artificial intelligence, and big data gathering, processing, and analytics sectors. They see the shift continuing towards leaner online companies that can scale rapidly, operate internationally with an inexpensive footprint, and provide a broad array of services across various sectors through the effective use of information and video gathering, data mining, just in time processing, and online collaboration technology. While the administration paused Iconic's ability to conduct transactions in these sectors, the Directors nevertheless continued to follow these market trends and are well positioned now that Iconic has exited administration to take advantage of opportunities in these areas.

7. The Board of Directors

Details of the Directors are set out below:

Bradley Tyler Taylor, CEO (Age 50)

Brad began his career as an attorney with law firms Akin Gump Strauss Hauer & Feld in Houston, and Greenberg Traurig in Dallas before switching to private equity as a director with Holland Park Capital in Austin. From there, he worked in Paris as the General Counsel and member of the Executive Committee of Orco Property Group. While at Orco, he served on the board of Orco Germany in Berlin, and the board of Suncani Hvar Hotels, a public private partnership with the Republic of Croatia. Now based in Washington DC, in addition to the Company, he is the CEO of Ott Ventures USA, Inc. A Canadian citizen, he has a Bachelor of Commerce degree from McGill University, a Juris Doctorate from Baylor University School of Law, an MBA from INSEAD, and studied International Law at Cambridge University.

David Štýbr, Executive Director (Age 41)

Mr. Štýbr's career has been oriented on business activities, project leadership and asset management. His main focuses have been in finance, investments, private equity, venture capital and real estate, with significant experience working for investment companies operating on US futures markets, management positions in a leading CEE real estate company, and leading a family office. He also has expertise in strategic planning and preparing measurable targets to be achieved by corporations, as well as financial oversight.

Marija Hrebac, Independent Non-Executive Director (Age 49)

Marija has over 20 years of executive experience managing a variety of complex organisations. She has worked with international corporations including Schering-Plough, MSD, L'Oréal, and Alas International at both the national and international levels, and has also worked across various industries including pharmaceutical, construction, cosmetics, hospitality, and banking. Marija's expertise revolves around the implementation of business processes, establishing organisational structures, turnarounds, crisis management, operational consolidations, and business integrations. Since 2012, Marija has been leading the Croatian Deposit Insurance Agency with a focus on implementing international standards and improving the national deposit guarantee system.

Emmanuel Blouin, Independent Non-Executive Director (Age 51)

Mr. Blouin has 25 years of investment and banking experience. He was a senior banker with Morgan Stanley, JP Morgan and BNP Paribas, during which he was involved in over €50 billion of capital markets, corporate finance and property transactions across Europe. In 2008, Mr. Blouin established Esterel Capital, a London-based boutique focusing on real estate and finance, where he continues to be Managing Partner. A French citizen, he has a Master in Finance from HEC Paris (Diplome HEC). He resides in London.

8. Corporate Governance

As a company with a Standard Listing, the Company is not required to comply with the provisions of the Corporate Governance Code published by the Financial Reporting Council (**FRC Corporate Governance Code**). The Company notes that it will not undertake the following steps required by the FRC Corporate Governance Code:

- given the size of the Board and the Company's current status, certain provisions of the FRC Corporate Governance Code (in particular the provisions relating to the composition of the Board and the division of responsibilities between the Chairman and chief executive and executive compensation), are not being complied with by the Company as the Board considers these provisions to be inapplicable to the Company;
- the Company has established an audit committee and a remuneration committee to assist the Board in fulfilling its responsibilities for governing the Company, but will not initially establish a separate nominations committee; and
- whilst the Board currently complies with the provision of the FRC Corporate Governance Code that at least half of the Board, should comprise non-executive directors determined by the Board to be independent, it is not committed to comply with this requirement going

forward as the Company evolves. In addition, the Company has not appointed a senior independent director. However, in the interests of observing best practice on corporate governance, the Company intends to comply with the provisions of the Corporate Governance Code published by the Quoted Companies Alliance (**QCA Corporate Governance Code**) insofar as is appropriate having regard to the size and nature of the Company and the size and composition of the Board.

The Company's Standard Listing means that it is also not required to comply with those provisions of the Listing Rules which only apply to companies on the Premium List. The FCA will not have the authority to (and will not) monitor the Company's compliance with any of the Listing Rules which the Company has indicated that it intends to comply with on a voluntary basis, nor to impose sanctions in respect of any failure by the Company so to comply. However, the FCA would be able to impose sanctions for non-compliance where the statements in this Prospectus are themselves misleading, false or deceptive.

The Company has adopted policies regarding directors' dealings compliant with the MAR.

Remuneration Committee

During the Board of Directors meeting of 23 February 2023, Marija Hrebac and Emmanuel Blouin were appointed to the Remuneration Committee, and Brad Taylor and David Štýbr stepped down. There are no employees as of the date of this prospectus. Since the change of management in March 2021 until the Board of Directors meeting on 23 February 2023, there had been no Remuneration Committee meetings.

The Remuneration Committee's role is to set Iconic's remuneration policy, determine the remuneration packages of the executive Directors and set the targets for performance-related pay.

The Remuneration Committee shall *inter alia*:

- Discuss and approve the salaries and benefits for the key employees and executives;
- Discuss and agree deferral of certain parts of the salaries and benefits; and
- Discuss a proposed employee option scheme to be implemented at the appropriate time.

Audit Committee

During the Board of Directors meeting of 23 February 2023, Marija Hrebac and Emmanuel Blouin were appointed to the Audit Committee, and Brad Taylor and David Stybr stepped down. Iconic's accounting is provided by Nordens Limited, and its audits are conducted by Nordens Audit Limited. From 1 July 2021 until the Board of Directors meeting on 23 February 2023, there had only been one Audit Committee meeting that was held to approve the 2022 Accounts. There have been no further meetings of the Audit Committee since the Board of Directors meeting on 23 February 2023.

The Audit Committee shall *inter alia*:

- Monitor the integrity of the financial statements and any formal announcements relating to financial performance;
- Review internal financial controls and risk management systems;
- Make recommendations to the Board in relation to the appointment, re-appointment and removal of auditors, including approving the remuneration and terms of engagement of the auditor;
- Review the auditor's independence and objectivity; and
- Develop and implement the non-audit services policy.

9. Capitalisation and Indebtedness

The following table shows the Company's capitalisation and indebtedness as at 31 May 2023 and has been extracted without material adjustment from the Company's unaudited management accounts.

	31/05/2023
Total Current Debt	(£)
Guaranteed	912,043
Secured	1,500,000
Unguaranteed and Unsecured	839,106
Total Non-Current Debt	
Guaranteed	320,000
Secured	0
Unguaranteed and Unsecured	0
Total Debt	3,586,811
Shareholder Equity	(£)
Share Capital	4,527,623
Share premium	8,323,661
Other Reserves	(16,438,095)
Total shareholder equity	3,586,811

As at the Latest Practicable Date, there has been no material change in the capitalisation of the Company since 31 May 2023.

The following table sets out the unaudited net funds of the Company as at 31 May 2023 and has been extracted without material adjustment from the Company's unaudited management accounts.

	31/05/2023
	(£)
A. Cash	535
B. Cash equivalent	0
C. Trading securities	0
D. Liquidity (A) + (B) + (C)	<u>535</u>
E. Current financial receivable	0
F. Current bank debt	0
G. Current portion of non-current debt	
H. Other current financial debt	3,267,348
I. Current Financial Debt (F) + (G) + (H)	<u>3,267,348</u>
J. Net Current Financial Indebtedness (I) – (E) – (D)	3,266,811
K. Non-current Bank loans	0
L. Bonds Issued	0
M. Other non-current loans	320,000
N. Non-current Financial Indebtedness (K) + (L) + (M)	<u>320,000</u>
O. Net Financial Indebtedness (J) + (N)	<u>3,586,811</u>

10. Regulatory Disclosures

Summaries of the announcements made by the Company under the Market Abuse Regulation in the twelve months preceding the date of this Document are set out below:

10.1 Issue of Equity

On 2 June 2023, the Company announced that the EHGOSF has subscribed for a £180,000 sixth tranche of convertible notes under the £3m Financing Facility. In exchange, Iconic will issue 180 convertible notes to EHGOSF along with 3,000,000,000 warrants with an exercise price of £0.00003.

Additionally, the Company also announced that it had received a valid conversion notice from the EHGOSF. The conversion notice was dated 1 June 2023 and provides for 30 Convertible Notes to

be converted into 1,200,000,000 Ordinary Shares at a conversion price of £0.000025 at the aggregate principal amount of £30,000.

10.2 *Conversion of Securities*

On 12 April 2023, the Company announced that it had received a valid Conversion Notice from the EHGOSF. The conversion notice was dated 11 April 2023 and provides for 50 Convertible Notes to be converted into 2,000,000,000 Ordinary Shares at a conversion price of £0.000025 at the aggregate principal amount of £50,000.

10.3 *Half-year Report*

On 31 March 2023, the Company announced its unaudited interim report and accounts for the six-month period ending 31 December 2022.

10.4 *Conversion of Securities*

On 28 March 2023, the Company announced that it had received a valid Conversion Notice from the EHGOSF. The Conversion Notice was dated 27 March 2023 and provides for 50 Convertible Notes to be converted into 1,315,789,473 Ordinary Shares at a conversion £0.000038.

10.5 *Subscription of Convertible Notes*

On 22 March 2023, the Company announced that EHGOSF had subscribed for a £150,000 fifth tranche of convertible notes under the £3million financing facility that was entered into on 28 September 2022. In exchange, Iconic would issue 150 convertible notes to EHGOSF along with 1,250,000,000 warrants with an exercise price of £0.00006.

10.6 *Change of Registered Office*

On 28 February 2023, the Company announced a change in its registered office address with immediate effect to 7 Bell Yard, London WC2A 2JR, United Kingdom.

10.7 *Director Appointment*

On 20 February 2023, the Company announced that Emmanuel Blouin had been appointed to the Board of Directors with immediate effect.

10.8 *Subscription of Convertible Notes*

On 10 February 2023, the Company announced that EHGOSF had subscribed for a £150,000 fourth tranche of convertible notes under the £3million financing facility that was entered into on 28 September 2022. In exchange, Iconic will issue 150 convertible notes to EHGOSF along with 468,750,000 warrants with an exercise price of £0.00016.

10.9 *Conversion of Securities*

On 9 February 2023, the Company announced that it has received a valid Conversion Notice from the EHGOSF. The Conversion Notice was dated 8 February 2023 and provides for 50 Convertible Notes to be converted into 892,857,142 Ordinary Shares at a conversion price of £0.000056 at the aggregate principal amount of £50,000.

10.10 *Conversion of Notes*

On 6 February 2023, the Company announced that it had received a valid Conversion Notice from ESHGOSF. The Conversion Notice was dated 2 February 2023 and provides for 100 Convertible Notes to be converted into 1,234,567,901 Ordinary Shares at a conversion price of £0.000081 at the aggregate principal amount of £100,000.

10.11 *Restructuring Update*

On 2 February 2023, the Company provided a restructuring update to its forthcoming payment obligations under the Company Voluntary Arrangement.

10.12 *Conversion of Securities & Resignation of Director*

On 30 January 2023, the Company announced that it had received two valid Conversion Notices from the EHGOSF and a change to the Board.

The first Conversion Notice was dated 26 January 2023 and provides for 100 Convertible Notes to be converted into 869,565,217 shares in the Company at a conversion price of £0.000115 at the aggregate principal amount of £100,000.

The second Conversion Notice was dated 27 January 2023 and provides for 150 Notes to be converted into 1,388,888,888 shares in the Company at a conversion price of £ 0.000108 at the aggregate principal amount of £150,000.

The Company also announced that Wilhelmus van der Meer was stepping down from the Board with immediate effect.

10.13 *Restoration of Trading*

On 25 January 2023, the Company announced that the FCA had lifted the suspension of the listing in the Company's Ordinary Shares.

10.14 *Update Regarding Sting Industries Acquisition*

On 16 January 2023, the Company announced that no further progress was made regarding the non-binding letter of intent to acquire a controlling stake in Sting industries Ltd., and it terminated of its own accord.

10.15 *Corporate Update*

On 6 January 2023, the Company provided a corporate update to summarise recent developments including the status of the CVA and of the company's main market listing.

10.16 *Annual Financial Report 2022*

On 3 January 2023, the Company announced its audited financial results for the year ended 30 June 2022.

10.17 *Financial Results 2021*

On 3 January 2023, the Company announced its audited financial results for the year ended 30 June 2021.

10.18 *Regulatory Approval*

On 15 December 2022, the Company announced that both the High Court of Justice, Business & Property Court, and Companies House confirmed and accepted the Joint Administrators' Final Report.

As a result, the administration had therefore ceased and control of Iconic has been returned to the Directors who would continue to implement the terms agreed to in the Company Voluntary Arrangement with all creditors.

10.19 *Directorate Change*

On 14 December 2022, the Company announced that Marija Hrebac had been formally appointed as a director of the Company.

10.20 *Conversion of Securities*

On 30 November 2022, the Company announced that EHGOSF had subscribed to a £150,000 third tranche of convertible notes under the £ 3 million financing facility that was entered into on 28 September 2022.

In exchange, Iconic would issue 150 convertible notes to EHGOSF along with 468,750,000 warrants with an exercise price of £0.00016.

10.21 *Subscription of convertible notes*

On 1 November 2022, the Company announced that EHGOSF had subscribed to a £150,000 second tranche of convertible notes under the £3 million financing facility that was entered into on 28 September 2022.

In exchange, Iconic would issue 150 convertible notes to EHGOSF along with 468,750,000 warrants with an exercise price of £ 0.00016.

10.22 *Financing Facility*

On 28 September 2022, the Company announced it had entered into a £3 million Deed of Issuance and Subscription in respect of loan notes convertible into new ordinary shares with share subscription warrants attached with the EHGOSF.

10.23 *Results of Creditors and General Meetings*

On 22 September 2022, the Company announced that, following its general meeting, all resolutions were duly passed on a poll vote.

10.24 *Settlement and CVA*

On 30 August 2022, the Company provided an update on the administration, settlement of disputes and convening of a General Meeting.

10.25 *Retraction of claims*

On 23 August 2022, the Company announced the retraction of claims made against David Sefton and the former directors of Iconic Labs.

10.26 *Administration & proposed CVA update*

On 8 June 2022, the Company announced that the Administration has been extended for a further 6 months to 3 December 2022 and the adjournment of General Meeting.

PART II

FINANCIAL INFORMATION ON THE COMPANY

HISTORICAL FINANCIAL INFORMATION

This document should be read and construed in conjunction with the annual report and accounts of the Company for the financial year ended 30 June 2022 together with the audit report on them and the unaudited interim report and accounts of the Company for the six months ended 31 December 2022.

The table below sets out the sections of this Document which are incorporated by reference and form part of this Document. Only the parts of the Document identified in the table below are incorporated into and form part of this Document.

The parts of this document which are not incorporated by reference are either not relevant for investors or are covered elsewhere in this prospectus. To the extent that any part of any information referred to below itself contains information which is incorporated by reference, such information will not form part of this document.

Reference document	Information incorporated by reference into this document	Page numbers
The Company's Unaudited Interim Report and Accounts for the 6 months ended 31 December 2022. This can be viewed on the Company's website at: https://www.iconiclabs.co.uk/wp-content/uploads/2023/03/Iconic-Labs-PLC-Interim-Accounts-December-2022.pdf	Company Information	1
	Chairman's Statement and Directors report	2
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The Company's Audited Report and Accounts for the year ended 30 June 2022. This can be viewed on the Company's website at: https://www.iconiclabs.co.uk/wp-content/uploads/2023/06/Annual-report-2022.docx	Company Information	1
	Chief Executive and Chairman's Report	2
	Strategic Report	7
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PART III

TAXATION

The following section is a summary guide only to certain current aspects of tax in the UK. This is not a complete analysis of all the potential tax effects of acquiring, holding and disposing of Ordinary Shares in the Company, nor will it relate to the specific tax position of all Shareholders in all jurisdictions. This summary is not a legal opinion. Shareholders are advised to consult their own tax advisers.

1.1 Taxation in the UK

The following information is based on UK tax law and HM Revenue and Customs (“HMRC”) practice currently in force in the UK. Such law and practice (including, without limitation, rates of tax) is in principle subject to change at any time. The information that follows is for guidance purposes only. Any person who is in any doubt about his or her tax position should contact their professional advisor immediately.

1.2 Tax treatment of UK investors

The following information, which relates only to UK taxation, is applicable to persons who are resident in the UK and who beneficially own Ordinary Shares as investments and not as securities to be realised in the course of a trade. It is based on the law and practice currently in force in the UK. The information is not exhaustive and does not apply to potential investors:

- who intend to acquire, or may acquire (either on their own or together with persons with whom they are connected or associated for tax purposes), more than 10 per cent., of any of the classes of shares in the Company; or
- who intend to acquire Ordinary Shares as part of tax avoidance arrangements; or
- who are in any doubt as to their taxation position.

Such Shareholders should consult their professional advisers without delay. Shareholders should note that tax law and interpretation can change and that, in particular, the levels, basis of and reliefs from taxation may change. Such changes may alter the benefits of investment in the Company.

Shareholders who are neither resident nor temporarily non-resident in the UK and who do not carry on a trade, profession or vocation through a branch, agency or permanent establishment in the UK with which the Ordinary Shares are connected, will not normally be liable to UK taxation on dividends paid by the Company or on capital gains arising on the sale or other disposal of Ordinary Shares. Such Shareholders should consult their own tax advisers concerning their tax liabilities.

1.3 Dividends

Where the Company pays dividends, no UK withholding taxes are deducted at source. Shareholders who are resident in the UK for tax purposes will, depending on their circumstances, be liable to UK income tax or corporation tax on those dividends.

UK resident individual and trustee Shareholders who are domiciled in the UK, and who hold their Ordinary Shares as investments, will be subject to UK income tax on the amount of dividends received from the Company.

The following information is based on current UK tax law in relation to rules applying to dividends paid to individuals and trustees from 6 April 2022 onwards. There is a dividend allowance of £2,000 per annum for individuals, this is due to reduce to £1,000 from 6 April 2023 and £500 from 6 April 2024. Dividends falling within this allowance will effectively be taxed at 0 per cent but such dividends will still count as taxable income when determining how much of the basic rate band or higher rate band has been used. If an individual receives dividends in excess of this allowance in a tax year, the excess will be taxed at 8.75 per cent, (for individuals not liable to tax at a rate above the basic rate), 33.75 per cent, (for individuals subject to the higher rate of income tax) and 39.35 per cent (for individuals subject to the additional rate of income tax). The rate of tax paid on dividend income by trustees of discretionary trusts is 8.75 per cent (for dividend income that falls within the standard rate band) and 39.35 per cent (for dividend income that falls above the standard

rate band). United Kingdom pension funds and charities are generally exempt from tax on dividends which they receive.

Shareholders who are subject to UK corporation tax should generally, and subject to certain anti-avoidance provisions, be able to claim exemption from UK corporation tax in respect of any dividend received but will not be entitled to claim relief in respect of any underlying tax.

1.4 Disposals of Ordinary Shares

Any gain arising on the sale, redemption or other disposal of Ordinary Shares will be taxed at the time of such sale, redemption or disposal as a capital gain.

The rate of capital gains tax on disposal of Ordinary Shares by basic rate taxpayers is 10 per cent., and 20 per cent. for higher rate and additional rate taxpayers. Individuals may benefit from certain reliefs and allowances (including an annual exempt amount, which presently exempts the first £12,300 of gains from tax for the tax year 2022-23). The annual exempt amount will reduce to £6,000 from 6 April 2023 and £3,000 from 6 April 2024.

For Shareholders within the charge to UK corporation tax, indexation allowance up until 1 January 2018 may reduce any chargeable gain arising on disposal of Ordinary Shares but will not create or increase an allowable loss.

For such Shareholders that are bodies corporate they will generally be subject to corporation tax (rather than capital gains tax) at a rate of 19% on any chargeable gain realised on a disposal of Ordinary Shares.

From 1 April 2023, the corporation tax main rate will be increased to 25% applying to profits over £250,000. A small profits rate will also be introduced for companies with profits of £50,000 or less so that they will continue to pay corporation tax at 19%. Companies with profits between £50,000 and £250,000 will pay tax at the main rate reduced by a marginal relief providing a gradual increase in the effective corporation tax rate.

1.5 Further information for Shareholders subject to UK income tax and capital gains tax “Transactions in securities”

The attention of Shareholders (whether corporates or individuals) within the scope of UK taxation is drawn to the provisions set out in, respectively, Part 15 of the Corporation Tax Act 2010 and Chapter 1 of Part 13 of the Income Tax Act 2007, which (in each case) give powers to HMRC to raise tax assessments so as to cancel “tax advantages” derived from certain prescribed “transactions in securities”.

1.6 Stamp duty and stamp duty reserve tax

The statements below are intended as a general guide to the current position. They do not apply to certain intermediaries who are not liable to stamp duty or stamp duty reserve tax or (except where stated otherwise) to persons connected with depositary arrangements or clearance services who may be liable at a higher rate.

Most investors will purchase existing ordinary shares using the crest paperless clearance system and these acquisitions will be subject to stamp duty reserve tax at 0.5%. Where ordinary shares are acquired using paper (i.e. non-electronic settlement) stamp duty will become payable at 0.5% if the purchase consideration exceeds £1,000.

The above comments are intended as a guide to the general stamp duty and stamp duty reserve tax position and may not relate to persons such as charities, market makers, brokers, dealers, intermediaries and persons connected with depositary arrangements or clearance services to whom special rules apply.

1.7 Inheritance Tax

The Ordinary Shares will be assets situated in the UK for the purposes of UK inheritance tax. A gift of such assets by, or transfer on the death of, an individual holder of such assets may (subject to certain exemptions and reliefs) give rise to a liability to UK inheritance tax, even if the holder is neither domiciled in the UK nor deemed to be domiciled there (under certain rules relating to long residence or previous domicile). Generally, UK inheritance tax is not chargeable on gifts to

individuals if the transfer is made more than seven complete years prior to death of the donor. For inheritance tax purposes, a transfer of assets at less than full market value may be treated as a gift and particular rules apply to gifts where the donor reserves or retains some benefit. Special rules also apply to close companies and to trustees of settlements who hold shares in the Company bringing them within the charge to inheritance tax. Holders of shares in the Company should consult an appropriate professional adviser if they make a gift of any kind or intend to hold any shares in the Company through such a company or trust arrangement. They should also seek professional advice in a situation where there is potential for a double charge to UK inheritance tax and an equivalent tax in another country or if they are in any doubt about their UK inheritance tax position.

THIS SUMMARY OF UK TAXATION ISSUES CAN ONLY PROVIDE A GENERAL OVERVIEW OF THESE AREAS AND IT IS NOT A DESCRIPTION OF ALL THE TAX CONSIDERATIONS THAT MAY BE RELEVANT TO A DECISION TO INVEST IN THE COMPANY. THE SUMMARY OF CERTAIN UK TAX ISSUES IS BASED ON THE LAWS AND REGULATIONS IN FORCE AS OF THE DATE OF THIS DOCUMENT AND MAY BE SUBJECT TO ANY CHANGES IN UK LAWS OCCURRING AFTER SUCH DATE. LEGAL ADVICE SHOULD BE TAKEN WITH REGARD TO INDIVIDUAL CIRCUMSTANCES. ANY PERSON WHO IS IN ANY DOUBT AS TO HIS TAX POSITION OR WHERE HE IS RESIDENT, OR OTHERWISE SUBJECT TO TAXATION, IN A JURISDICTION OTHER THAN THE UK, SHOULD CONSULT HIS PROFESSIONAL ADVISER.

PART IV

ADDITIONAL INFORMATION

1. RESPONSIBILITY

The Company and each of the Directors, whose names appear on page 26 of this document, accept responsibility for the information contained in this document. To the best of the knowledge of the Company and the Directors, the information contained in this document is in accordance with the facts and this document makes no omission likely to affect its import.

2. THE COMPANY

- 2.1 The Company's legal and commercial name is Iconic Labs plc.
- 2.2 The Company was incorporated and registered in England and Wales with registered number 10197256 on 24 May 2016 as a private company limited by shares under the name WideCells Group Limited. On 21 June 2016, the Company changed its name to WideCells Group plc, and was re-registered as a public limited company. The Company changed its name to Iconic Labs plc on 11 July 2019.
- 2.3 The principal legislation under which the Company operates is the Act and regulations made under the Act. The liability of the Company's members is limited to the amount, if any, unpaid on the shares respectively held by them.
- 2.4 The Company is domiciled in the United Kingdom. The registered office and principal place of business of the Company is at 7 Bell Yard, London, United Kingdom, WC2A 2JR and its telephone number is: +44 7462156238.

3. SUBSIDIARIES

The Company is the holding company of the below principal subsidiaries ("**Subsidiaries**"):

Direct subsidiaries of the Company

Company name	Principal activity	Country of incorporation	Percentage ownership
WideCells International Ltd	Holding company of the subsidiaries	UK	100
Nuuco Media Ltd	Trading company	UK	100

Indirect subsidiaries of the Company held by WideCells International Ltd

Company name	Principal activity	Country of incorporation	Percentage ownership
CellPlan Ltd*	Stem cell health insurance	UK	100

* CellPlan Ltd is in the process of being wound up.

4. SHARE CAPITAL

- 4.1 In accordance with the Act, the Company has no limit on its authorised share capital.
- 4.2 Details of the share capital history of the Company were included at paragraphs 3.2 to 3.6 of Part IX of the June 2018 Prospectus at page 107, at paragraphs 3.3 to 3.6 of Part VII of the February 2019 Prospectus at pages 77 to 79 and at paragraphs 4.3 to 4.4 of Part VII of the March 2020 Prospectus at page 70, all of which are incorporated by reference into this Prospectus.
- 4.3 Between the date of publication of the March 2020 Prospectus and the Latest Practicable Date the following Ordinary Shares were issued fully paid:
- 4.3.1 on 14 April 2020, the Company issued 555,555,555 Ordinary Shares in connection with the conversion of notes under the Original Financing Agreement to EHGOSF;
- 4.3.2 on 28 April 2020, the Company issued 555,555,555 Ordinary Shares in connection with the conversion of notes under the Original Financing Agreement to EHGOSF;

- 4.3.3 on 7 May 2020, the Company issued 500,000,000 Ordinary Shares in connection with the conversion of notes under the Original Financing Agreement to EHGOSF;
- 4.3.4 on 28 May 2020, the Company issued 800,000,000 Ordinary Shares in connection with the conversion of notes under the Original Financing Agreement to EHGOSF;
- 4.3.5 on 2 June 2020, the Company issued 500,000,000 Ordinary Shares in connection with the conversion of notes under the Original Financing Agreement to EHGOSF;
- 4.3.6 on 15 June 2020, the Company issued 1,700,000,000 Ordinary Shares in connection with the conversion of notes under the Original Financing Agreement to EHGOSF;
- 4.3.7 on 13 July 2020, the Company issued 2,000,000,000 Ordinary Shares in connection with the conversion of notes under the Original Financing Agreement to EHGOSF;
- 4.3.8 on 30 July 2020, the Company issued 1,555,555,554 Ordinary Shares in connection with the conversion of notes under the Original Financing Agreement to EHGOSF;
- 4.3.9 on 17 August 2020, the Company issued 1,857,142,857 Ordinary Shares in connection with the conversion of notes under the Original Financing Agreement to EHGOSF;
- 4.3.10 on 2 September 2020, the Company issued 2,428,571,428 Ordinary Shares in connection with the conversion of notes under the Original Financing Agreement to EHGOSF;
- 4.3.11 on 14 September 2020, the Company issued 3,428,571,428 Ordinary Shares in connection with the conversion of notes under the Original Financing Agreement to EHGOSF;
- 4.3.12 on 25 September 2020, the Company issued 5,000,000,000 Ordinary Shares in connection with the conversion of notes under the Original Financing Agreement to EHGOSF;
- 4.3.13 on 14 October 2020, the Company issued 4,555,555,555 Ordinary Shares in connection with the conversion of notes under Original Financing Agreement to EHGOSF;
- 4.3.14 on 16 October 2020, the Company issued 2,100,000,000 Ordinary Shares in connection with the conversion of notes under Original Financing Agreement to EHGOSF;
- 4.3.15 on 16 October 2020, the Company issued 1,999,999,999 Ordinary Shares in connection with the conversion of notes under Original Financing Agreement to EHGOSF;
- 4.3.16 on 20 November 2020, the Company issued 6,231,610,203 Ordinary Shares in connection with the conversion of notes under Original Financing Agreement to EHGOSF;
- 4.3.17 between 26 January 2023 and 31 March 2023, the Company issued the following Ordinary Shares (in 5 (five) separate issuances) in connection with the conversion of notes under the Financing Facility to EHGOSF:
 - 1. 869,565,217;
 - 2. 1,388,888,888;
 - 3. 1,234,567,901
 - 4. 892,857,142
 - 5. 1,315,789,473
- 4.3.18 on or around 17 April 2023, the Company issued 2,000,000,000 Ordinary Shares in connection with the conversion of notes under the Financing Facility to EHGOSF.
- 4.3.19 on or around 1 June 2023, the Company issued 1,200,000,000 Ordinary Shares in connection with the conversion of notes under the Financing Facility to EHGOSF.

4.4 On 27 February 2020, each of the Company's 1,637,129,905 Ordinary Shares was divided into 1,637,129,905 Ordinary Share of £0.00001 each and 1,637,129,905 Deferred Shares of £0.00249 each.

4.5 Set out below are details of the issued share capital of the Company as at the date of this document:

	Number	Nominal value (£)
Issued Ordinary Shares	46,306,916,660	0.00001
Issued Deferred Shares	1,637,129,905	0.00249

4.6 Throughout the financial period ended 30 June 2020, the Company was in administration and was not trading, therefore no new Ordinary Shares in the capital of the Company were issued in the audited financial period ended 30 June 2022.

This Document will provide the Company with the ability to issue further Shares under the Prospectus Regulation Rules related to the following four matters that are consequences of the Company's successful exit from administration and renewed trading on the London Stock Exchange:

- (i) Up to in aggregate 45,045,045,045 Settlement Shares.
- (ii) 1,674,130,609 CVA Shares;
- (iii) Up to 80,180,180,180 Financing Facility Shares;
- (iv) Up to 22,027,027,027 Management Service Agreement Shares; and
- (v) Up to 36,038,525,658 Warrant Shares.

4.7 The provisions of section 561 of the Act confer on shareholders rights of pre-emption in respect of the allotment of securities which are, or are to be, paid up in cash (other than by way of allotments to employees under any employee share scheme as defined in section 1166 of the Act). Subject to certain limited exceptions, unless the approval of shareholders is obtained in a general meeting of the Company, the Company must normally offer Ordinary Shares to be issued for cash to existing shareholders on a *pro rata* basis.

4.8 The Ordinary Shares in issue on the date of this document will be in both registered form and uncertificated form. In the case of Ordinary Shares held in uncertificated form, the Articles permit the holding and transfer of Ordinary Shares under CREST. CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by certificate and transferred otherwise than by written instrument. The records in respect of Ordinary Shares held in uncertificated form will be maintained by Euroclear UK & Ireland Limited and the Company's Registrar, (details of whom are set out on page 26).

4.9 The International Security Identification Number ("ISIN") of the Ordinary Shares is GB00BD060S65, the Stock Exchange Daily Official List ("SEDOL") number is BD060S6 and the legal entity identifier is 213800YCXZV6RSHGGT04.

4.10 The legislation under which any new Ordinary Shares will be issued is the Act and regulations made under the Act.

4.11 The Ordinary Shares are freely transferable with par value of £0.00001 and are denominated in sterling.

4.12 The Ordinary Shares are listed on the Official List and traded on the Main Market. The Ordinary Shares are not listed or traded, and no application has been or is being or will be made for the admission of the Ordinary Shares to listing or trading, on any other stock exchange or securities market.

4.13 Each Ordinary Share will rank in full for all dividends and distributions declared made or paid after their issue and otherwise *pari passu* in all respects with each Existing Ordinary Share and will have the same rights (including voting and dividend rights and rights on a return of capital).

4.14 To the best of the Directors' knowledge, no-one, directly or indirectly, acting jointly or separately, exercises or could exercise control over the Company.

- 4.15 The registrars of the Company are SLC Registrars. They will be responsible for maintaining the register of members of the Company.
- 4.16 Save as disclosed in this paragraph 4, as at the date of this document:
- 4.16.1 the Company did not hold any treasury shares and no Ordinary Shares were held by, or on behalf of, any of the Subsidiaries;
- 4.16.2 no shares have been issued otherwise than as fully paid;
- 4.16.3 the Company had no outstanding convertible securities, exchangeable securities or securities with warrants;
- 4.16.4 the Company has given no undertaking to increase its share capital; and
- 4.16.5 save as disclosed in paragraph 13.3.1(e), no capital of the Company or any of the Subsidiaries is under option or is agreed, conditionally or unconditionally, to be put under option.

5. DIRECTORS' AND OTHER INTERESTS

- 5.1 Save as set out in Part I of this document in relation to the CVA and the Management Service Agreement Shares, none of the Directors has any interest in the share capital of the Company or of any of its subsidiaries nor does any member of his or her family have any such interest, whether beneficial or non-beneficial.
- 5.2 The Directors have not held any directorships of any company (other than the Company and its subsidiaries) or partnerships within the last five years, except as set out below:

Director	Current Directorships	Previous Directorships
Bradley Taylor	Cellplan Ltd (UK) MyHotelMatch (France) Ott Ventures USA, Inc (USA) Courcelette Holdings, LLC (USA) Nuuco Media Ltd (UK) Delta Drone SA (France) WideCells International Ltd (UK)	ELOHI Camps Collection, LLC
David Štýbr	Alexis Prag (Czech Republic) Vernon LLP (UK) Livent Group Inc (USA) Durotar Ltd (UK) Global Dot Logistics, Inc. (USA)	Retinvest-AB LG GLOBAL INVEST LLP
Marija Hrebac	Croatian Deposit Insurance Agency (Croatia)	
Emmanuel Blouin	Aradei Capital SA (Morocco) Courbet SA (France) SquareConcept Property Management (UK) Esterel Capital LLP (UK) Stanrock Capital Limited (UK)	iO Adria RGI International XXI Century

- 5.3 At the date of this Document no Director:
- a) has had any convictions in relation to fraudulent offences within the previous five years prior to the date of this Document;
- b) has been declared bankrupt or has been a director of a company or been a member of an administrative, management or supervisory body or a senior manager of a company within the previous five years prior to the date of this Document which has entered into any bankruptcy, receivership or liquidation proceedings;

- c) has been the subject of any official public incrimination and/or sanction by any statutory or regulatory authority (including any designated professional body) within the previous five years prior to the date of this Document;
 - d) has been disqualified by a court from acting as a director of any company or as a member of the administrative, management or supervisory bodies of any company or from acting in the management or conduct of the affairs of any company within the previous five years prior to the date of this Document;
 - e) has any family relationship with any of the other Directors;
 - f) has had any interest, direct or indirect, in any assets which have been or are proposed to be acquired or disposed of by or to the Company, or any such interest in any contract or arrangement subsisting at the date of this Document and which is significant to the business of the Company; and
 - g) has any potential conflict of interest between his duties to the Company and his private interests or other duties.
- 5.4 The Company and the Directors are not aware of: (i) any persons who, directly or indirectly, jointly or severally, exercises or could exercise control over the Company; nor (ii) any arrangements the operation of which may at a subsequent date result in a change in control of the Company.
- 5.5 The voting rights of the persons listed in paragraph 5.2 above do not differ from the voting rights of any other holder of Ordinary Shares.
- 5.6 There are no outstanding loans granted by any of the Subsidiaries to any Director nor are there any guarantees provided by any of the Subsidiaries for the benefit of any Director.

6. DIRECTORS' SERVICE AGREEMENTS

Save as disclosed below, there are no service contracts in force between any Director and the Company or any of its Subsidiaries and no such contract has been entered into or amended during the six months preceding the date of this document.

6.1 Executive Directors

The Ott Companies provide the services of two Executive Directors, currently being Brad Taylor and David Štýbr, to the Company pursuant to the terms of the MSA. Brad Taylor is a Director of, and owns a 30 per cent. interest in, Ott Ventures USA, Inc, indirectly through a company in which he has a beneficial interest.

6.2 Non-executive Directors

On 14 December 2022, the Company announced that Marija Hrebac had been formally appointed as a Director of the Company. A letter of appointment with an effective date of 14 December 2022 was signed by both parties under which the appointment was for an initial period of three years commencing on 19 December 2022 (subject to re-election at periodic general meetings) unless terminated earlier by either party giving the other three months' prior written notice.

Emmanuel Blouin was appointed as a non-executive Director of the Company by letter of appointment dated 20 February 2023. The appointment was for an initial period of three years commencing on 25 February 2023 (subject to re-election at periodic general meetings) unless terminated earlier by either party giving the other three months' prior written notice.

- 6.3 Save as disclosed in paragraphs 6.1 and 6.2, there are no existing or proposed service agreements or consultancy agreements between any of the Directors and the Company which cannot be terminated by the Company without payment of compensation within 12 months.
- 6.4 Please refer to paragraph 13.6 of this Part IV for details of monthly management fees payable to the Ott Companies pursuant to the MSA.

- 6.5 There are no arrangements under which any Director has waived or agreed to waive future emoluments nor have there been any such waivers of emoluments during the financial year immediately preceding the date of this document.

7. SIGNIFICANT SHAREHOLDERS

- 7.1 The Company is only aware of the following persons who, at the Latest Practicable Date, represent an interest (within the meaning of Chapter 5 of the Disclosure Guidance and Transparency Rules) directly or indirectly, jointly or severally in 3% or more of the Company's issued share capital or could exercise control over the Company:

Shareholder	Number of Ordinary Shares	Percentage of issued ordinary share capital
Hargreaves Lansdown Nominees Limited ¹	12,935,278,157	27.93%
Interactive Investor Services Nominees Limited ¹	7,794,626,707	16.83%
HSDL Nominees Limited ¹	5,961,361,723	12.87%
Barclays Direct Investing Nominees Limited ¹	4,127,092,551	8.91%
Interactive Brokers LLC ¹	3,838,095,849	8.29%
Vidacos Nominees Limited ¹	3,607,329,275	7.79%
Lawshare Nominees Limited ¹	2,302,558,664	4.97%

¹ Shares are held in a nominee account with no beneficial holder owning 3% or more of the issued share capital

8. RELATED PARTY TRANSACTIONS

- 8.1 As a result of the lack of evidence and completeness of records in respect of related party transactions relating to the previous stem cell business undertaken by two of the Subsidiaries, the Directors are unable to establish whether the Company or any of the Subsidiaries entered into any such related party transactions. With effect from the appointment of the Directors and save as disclosed in paragraph 13 of this Part IV below, no Director has any interest, direct or indirect, in any assets which have been acquired by, disposed of by, or leased to, any Subsidiary or which are proposed to be acquired by, disposed of by, or leased to, any Subsidiary.

9. WORKING CAPITAL

The Company does not have sufficient working capital for its present requirements, that is for the next 12 months from the date of this document.

Iconic currently only has one asset, GSN, which is not cash generative and otherwise currently generates no revenues including from consultancy. The Company is therefore reliant upon the Financing Facility with EHGSO for its sole source of working capital.

The Financing Facility is subject to a number of conditions ("Conditions") including in particular:

- the shares of Iconic trade on Main Market of the London Stock Exchange;
- the closing market price of the shares for each of the ten consecutive trading days falling immediately prior to the relevant closing date must be at least higher than 150% of the nominal value of Iconic's shares;
- the average daily value traded of Iconic's shares (excluding 5% of the data points from the top and excluding 5% of the data points from the bottom of the data set) for the 20 trading days immediately prior to the applicable closing date must be at least £10,000;
- from the fifth drawdown tranche onwards, Iconic having published a prospectus;
- no binding commitment having been entered into by Iconic pursuant to which a change of control in Iconic would occur; and

- no occurrence that constitutes an event of default having occurred and is continuing;
- the Board having the required authority
 - (i) for the allotment and issue of at least 200% of such number of Shares as would be required upon conversion of all outstanding Notes together with the Notes to be issued pursuant to the relevant drawdown notice calculated by dividing the aggregate principal amount of all such Notes by the Closing VWAP as of the date of such drawdown notice and
 - (ii) to deviate from the shareholders' pre-emption and/or preferential subscription right (as applicable) with respect to such number of Shares;
- no payment is due by the Company to EHGOSF (or any of its Affiliates) and no delivery of Shares (or certificates evidencing such Shares) resulting from a conversion of Notes or exercise of any Warrants by EHGOSF (or any of its Affiliates) is outstanding.

At the date hereof, the Company has a cash balance of approximately £50,000 and there currently remains approximately £2m available for drawdown under the Financing Facility. The expected ordinary course cash burn of the business is approximately £100,000 per month for the next 12 months. On this basis, and on the basis that all the Conditions are met, the Board is of the opinion that the working capital available to the Group is sufficient for its present requirements, that is for at least 12 months from the date of this document.

To date, these conditions have been satisfied and the Company has therefore been able to draw down against this facility. However, it is possible that in the future, certain of these conditions may not be met, certain of which are outside the control of the Company, although it is not currently known when this may happen. As a result, in the event any such condition is not met, the Company may not be in a position to further drawdown on the Financing Facility. In such circumstances, the Directors would consider the following options to address any working capital shortfall which may arise ("Shortfall"). Given the timing and nature of any breach is uncertain it is also currently not known what the amount of such Shortfall would be.

- a) The Company would seek to agree with EHGOSF suspension or revocation of such condition or conditions that have not been met. Although the Company is in regular dialogue with EHGOSF, the Company has not entered into any discussions with EHGOSF in this regard and therefore the Directors cannot be confident that such an option will be achievable or on terms acceptable to the Company.
- b) In the event that the solution set out in paragraph a) above is not feasible, the Company may need to request that EHGOSF waive the exclusive nature of its Financing Facility so that the Company could seek alternative sources of funding wholly or partly to replace the Financing Facility with a new equity funding line or debt. There is no certainty that any of these options will successfully result in a refinancing of the Financing Facility on terms that are acceptable to the Company or at all in the event of a breach of any Condition.
- c) The Company would seek to dispose of the GSN business. As it is endeavouring to develop GSN, the Directors have not sought offers to acquire this business and therefore in the event of a cash Shortfall, the Directors cannot be confident that any offers for the business will materialise or that any such offers will be on terms acceptable to the Company. Furthermore, even if an offer did materialise, in its current phase of development, the Directors would not expect the sum realised for the business to be material in the context of the current cash burn of the Company.

In the event that the above options are not able to satisfy the Shortfall, the Company would need to wind down its operations, realise any assets and may enter administration, if and to the extent, there are creditors of the Company who cannot be paid. In such an event, the Company would no longer manage the affairs of the Company or the realisation of its assets. As a result of either winding down the business or entering into administration, the Ordinary Shares would be cancelled from the Official List and Shareholders may receive little or no value for their Ordinary Shares.

10. SIGNIFICANT CHANGE

Save as set out in this document, there has been no significant change in the financial position or performance of the Company since 31 December 2022, the date to which its last interim financial statements were published.

11. LITIGATION

- 11.1 The Company, acting through its wholly owned subsidiary Nuuco Media, is the owner of all intellectual property rights in the brand GAY STAR NEWS (the “**Brand**”). Nuuco Media purchased the Brand in August 2019. Included in the purchase was the brand name Gay Star News, all rights therein and the website www.gaystarnews.com (“GSN Website”). In January 2023 the Company became aware that (i) an application had been made by a third party to the Intellectual Property Office to register “Gay Star* News” as a trademark and (ii) that a copycat website, www.gaystarnews.co.uk, (“CopyCat Website”) had been registered on 19 October 2022 and was being operated by the same third party. Both are acts of passing off and a breach of copyright. A pre-action letter was sent to the third-party and in March 2023 the trademark application was withdrawn. However, the operator of the Copycat Website has refused to deliver up the website. The Company is claiming return of the website domain on the basis that it owns all the intellectual property in the Brand. Although no monetary compensation has been sought from the owners of the Copycat Website, in the event that the Copycat Website is not delivered up, then this could lead to a loss of traffic from the GSN site to the CopyCat Website and therefore loss of future revenue.
- 11.2 Save as disclosed in paragraph 11.1 of this Part IV (*Additional Information*), there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware), in the period covering at least the previous 12 months which may have, or have had in the recent past, significant effects on the Company and/or the Subsidiaries’ financial position or profitability.

12. CITY CODE

- 12.1 Mandatory bids and compulsory acquisition rules relating to Ordinary Shares:
- 12.1.1 Other than as provided by the City Code and Chapter 28 CA 2006, there are no rules or provisions relating to mandatory bids and/or squeeze-out and sell-out rules that apply to the Ordinary Shares;
- 12.1.2 The City Code is issued and administered by the Takeover Panel; and
- 12.1.3 The City Code applies to the Company and Shareholders are entitled to the protection afforded by the City Code.
- 12.1.4 There have been no public takeover bids for the Company’s shares.

13. MATERIAL CONTRACTS

- 13.1 The following contracts (not being contracts entered into in the ordinary course of business) have been entered into in the two years preceding the date of this document by the Company or any of the Subsidiaries and are, or may be, material to the Company or have been entered into by the Company or any of the Subsidiaries and contain provisions under which the Company and any of the Subsidiaries has an obligation or entitlement which is material to the Company or the Subsidiaries at the date of this document:
- 13.2 Details of material contracts previously entered into by the Company and the Subsidiaries were included at paragraphs 9.1 to 9.20 of Part VII of the June 2018 Prospectus from pages 85 to 91 and at paragraphs 13.1 to 13.9 of Part VII of the March 2020 Prospectus from pages 82 to 89 all of which are incorporated by reference into this Prospectus.
- 13.3 *Settlement Deed*
- 13.3.1 On 23 August 2022 the Company, without admission of any liability, agreed to settle all outstanding claims against the Company made by, *inter alia*, the Company’s administrators, other existing creditors, former directors and former employees. The settlements were agreed pursuant to the terms of and formalised in the Settlement Deed. As part of the

agreed settlements the Company was required to, *inter alia*, enter into (and did enter into on or about the date of the Settlement Agreement) the following agreements:

- (a) a deed of issuance and subscription with EHGOSF and Linton pursuant to which the EHGOSF, having agreed to cancel its outstanding convertible loan notes and warrants in exchange for new convertible loan notes as part of the Settlement Agreement, and Linton, having been assigned Arch Capital Partners LLP's position as part of the Settlement Deed, were each issued 150 (one hundred and fifty) new secured convertible loan notes in an aggregate principal amount of £750,000, each loan note having a par value of £5,000 (five thousand pounds sterling).. The loan notes have a duration of 18 (eighteen) months from the date the notes become convertible, such date being the date of publication of this document (subject to certain other requirements being met). During the 18 (eighteen) month conversion period EHGOSF or Linton may convert any of its loan notes at any time, save that each of EHGOSF and Linton may only convert £75,000 (seventy-five thousand pounds sterling) of loan notes per calendar month and that neither EHGOSF nor Linton may acquire more than 29.9% of total voting rights of the Company as a result of a conversion. The loan notes do not accrue interest;
- (b) a debenture in favour of Linton (as senior noteholder) under which the Company granted fixed and floating charges over all present and future rights, undertaking, property and assets to secure all present and future liabilities owed to Linton;
- (c) a debenture in favour of EHGOSF (as junior noteholder) under which the Company granted fixed and floating charges over all present and future rights, undertaking, property and assets to secure all present and future liabilities owed to the Investor;
- (d) an intercreditor agreement between Linton (as senior creditor) and EHGOSF (as junior creditor) and the Company, in respect of respective debts owed by the Company to Linton and EHGOSF;
- (e) a management services agreement between the Company, Greencastle and Nuuco Media (Nuuco Media being a 100% subsidiary of Company and trading as "GSN"), under which Greencastle provides, *inter alia*, management, consultancy and business development services to GSN for a prescribed management and consulting fee. In consideration Greencastle's performance of services under the agreement, Greencastle is entitled to receive 100% of all gross revenues sourced and generated on behalf of GSN each month, subject to a fee cap of £25,000 each month. If gross revenues sourced and generated by Greencastle exceed £25,000 for a particular month, GSN are entitled to 80% of the difference between that month's gross revenue and £25,000. Greencastle are not entitled to any revenue sourced and generated by the Company or GSN. Under the agreement, Greencastle also has an option to purchase the entire issued share capital of GSN from the Company. The agreement will continue in full force until 23 August 2023 and unless terminated prior to 23 August 2023, will automatically renew on a rolling monthly basis until either party gives 15 days written notice prior to the end of the renewal period or the option to purchase GSN is exercised. The option to purchase the entire issued share capital of GSN became exercisable after 23 February 2023. The purchase price shall be the higher of £50,000 (fifty thousand pounds sterling) and the value of a 3-year cash flow forecast discounted at a rate of 15%, which shall be payable in 12 (twelve) equal installments payable every month for twelve months following the sale and purchase.

13.4 *Financing Facility*

- 13.4.1 On 28 September 2022 the company (as issuer) entered into the Financing Facility with the EHGOSF, a further deed of issuance and subscription in respect of loan notes convertible into new Ordinary Shares in Company with share subscription warrants attached, under which EHGOSF agreed to make a facility of up to £3,000,000 (three million pounds sterling) available to the Company by subscribing for up to 3,000 (three thousand) convertible loan notes, each loan note having a par value of £1,000 (one thousand pounds sterling). The facility can be drawn down in up to 14 (fourteen) sequential tranches over a maximum period of 18 (eighteen) months from 28 September 2022. The Company submitted a

drawdown notice for the first tranche of £250,000 (two hundred and fifty thousand pounds sterling) in loan notes and 781,250,00 (seven hundred and eighty-one thousand two hundred and fifty thousand) warrants with an exercise price of £0.00016 on the date of the Financing Facility. Subsequent drawdowns can be made at a set amount of £150,000 (one hundred and fifty thousand pounds sterling) for tranches 2 (two) to 6 (six) and £250,000 (two hundred and fifty thousand pounds sterling) for tranches 7 (seven) to 14 (fourteen). The Company could only drawdown on the first three tranches, for a total of £550,000, prior to the trading suspension being lifted. On 28 October 2022 the Company received a subscription form from the EHGOSF for the second tranche of notes amounting to £150,000 (one hundred and fifty thousand pounds sterling) and on 29 November 2022, the Company received a subscription form for the third tranche of notes amounting to a further £150,000 (one hundred and fifty thousand pounds sterling) received by the Company. At the date of this document the Company has drawn down £1,030,000 (one million and thirty thousand pounds sterling), save that EHGOSF withheld £30,000 (thirty thousand pounds sterling) from the first drawdown on account of fees and so the Company has received £1,000,000 (one million pounds sterling) in total. The material terms of the outstanding notes are as follows:

- (a) The notes do not accrue interest.
- (b) The notes have a maturity date of two years from the date of issue and can be converted at any time in that period.
- (c) Each note is convertible into shares of the Company at a conversion price equal to the highest of a) 90% of the lowest volume-weighted average price of the 15 trading days prior to delivery of a conversion notice and b) the nominal value of the shares.
- (d) The warrants will amount to fifty percent (50%) of the financing provided by EHGOSF such that the number of warrants will be equal to fifty percent (50%) of the principal amount of loan notes divided by the warrant exercise price. Before the trading suspension on the Company's shares was lifted the warrant exercise price was set at the share price immediately prior to suspension, or £0.00016 per share. Now the trading suspension has lifted, and trading has resumed, the warrant exercise price will be one hundred and twenty percent (120%) of the share volume weighted average price of the shares over the 15 trading days immediately preceding the relevant subscription or issuance request.
- (e) On termination of the Financing Facility, the Company has an obligation to pay the EHGOSF an administration fee in the total aggregate amount of twenty percent (20%) of the principal of all notes outstanding at the time.

13.5 Company Voluntary Arrangement

Pursuant to the Company Voluntary Arrangement ("**CVA**") agreed with the Company's creditors on 22 September 2022 the Company was required to make 8 (eight) separate cash contributions into the CVA of prescribed amounts (up to a total amount of £380,000 (three hundred and eighty thousand pounds sterling)) and on or before prescribed dates. The initial five contributions were timely paid and used to pay preferential creditors and an amount of £160,000 (one hundred and sixty thousand pounds sterling) owed to the London Stock Exchange. The sixth payment due was timely paid on the 28 February 2023 and as at the date of this document two payments are outstanding, a payment of £50,000 (fifty thousand pounds sterling) which was due on 28 March 2023 and the final payment of £15,000 (fifteen thousand pounds sterling) due on 28 April 2023. As at the date of this Document, all payments have been made under the CVA and the Company can begin the process of issuing 1,674,130,609 shares to unsecured creditors thereby meeting all its obligations under the CVA, at which time the CVA will terminate.

13.6 *Management Services Agreement*

- 13.6.1 On 1 April 2021 the Company entered into the MSA with Ott Ventures s.r.o. and Ott Ventures USA, Inc. (the "**Ott Companies**") (each as providers) under which the Ott Companies are responsible for providing, *inter alia*, corporate governance services and the day-to-day management of the Company. It is under this agreement that the Executive Directors of the Company provide management services to the Company. In exchange for

such services the Company agreed to pay the Ott Companies £50,000 (fifty thousand pounds sterling) per calendar month. The agreement has run from the effective date of 1 February 2021 for an initial term of 12 (twelve) months, it then renewed automatically pursuant to the terms of the agreement for a further 2 (two) years and will renew automatically for successive 2 (two) year terms until either party determines not to extend the agreement by giving the other party at least 30 (thirty) days' notice before the end of the relevant term or is terminated by mutual consent by both parties. Due to cash flow issues the Company has not been paying the monthly fee to the Ott Companies. See paragraph 4(iv) of Part 1 for details of what is owed to the Ott Companies pursuant to the agreement at the date of this document.

14. CONSENTS

- 14.1 Where third-party information has been referenced in this Document, the source of that third-party information has been disclosed. Where information contained in this Document has been sourced from a third party, the Company confirms that such information has been accurately reproduced and, as far as the Company is aware and able to ascertain from information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading.
- 14.2 Novum Securities Limited has given and not withdrawn their consent to the inclusion in this Document of their name in the form and in the context in which it appears.

15. GENERAL

- 15.1 The total costs and expenses of, or incidental to, the publication of this document, all of which are payable by the Company, are estimated to be approximately £102,080 (inclusive of value added tax).
- 15.2 Save as disclosed in this document, no person (other than the Company's professional advisers named in this document and trade suppliers) has at any time within the 12 months preceding the date of this document received, directly or indirectly, from the Company or any of the Subsidiaries or entered into any contractual arrangements to receive, directly or indirectly, from the Company or any of the Subsidiaries on or after the date of this document any fees, securities in the Company or any other benefit to the value of £10,000 or more.
- 15.3 The auditors of the Company are Nordens Audit Limited of The Retreat, 406 Roding Lane South, Woodford Green, Essex, IG8 8EY, chartered accountants and registered auditors and who are a member of the Institute of Chartered Accountants in England and Wales, who have audited the Company's accounts for the financial period ended 30 June 2022.
- 15.4 Where third-party information has been referenced in this Prospectus, the source of that third party information has been disclosed. Where information contained in this Prospectus has been sourced from a third party, the Company confirms that such information has been accurately reproduced and, as far as the Company is aware and is able to ascertain from information published by such third parties, no facts have been omitted which would render such reproduced information inaccurate or misleading.
- 15.5 Save as disclosed in this Part IV (*Additional Information*), the Company currently has no significant investments in progress and the Company has made no firm commitments concerning future investments.
- 15.6 The Directors are not aware of any patents or other intellectual property rights, licences, particular contracts, or manufacturing processes on which the Company is dependent.
- 15.7 None of the Ordinary Shares has been admitted to dealings on any recognised investment exchange and no application for such admission has been made and it is not intended to make any other arrangements for dealings in the Ordinary Shares on any such exchange.

16 DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during usual business hours on any day (Saturdays, Sundays and public holidays excepted) at the offices of RWK Goodman LLP, 69 Carter Lane, London, EC4V 5EQ for a period of 14 days from the date of this document:

16.1 this Prospectus; and

16.2 the articles of association of the Company.

In addition, this document and the Articles will be published in electronic form and available on the Company's website at www.iconiclabs.co.uk/corporate-documents, subject to certain access restrictions.

PART V

DEFINITIONS

The following definitions apply throughout this document unless the context requires otherwise:

“2022 Accounts”	the audited financial statements of the Company for the year ended 30 June 2022;
“Act”	the Companies Act 2006;
“Admission”	in respect of any Ordinary Shares, the effective admission of any Ordinary Shares to listing on the Official List and trading on the London Stock Exchange’s main market for listed securities;
“Affiliate”	in relation to a body corporate, any subsidiary, subsidiary undertaking or holding company of such body corporate, and any subsidiary or subsidiary undertaking of any such holding company for the time being;
“Articles”	the articles of association of the Company;
“Board” or “Directors”	the directors of the Company whose names are set out on page 26 of this document;
“CA 2006”	the Companies Act 2006;
“certificated” or “in certificated form”	a share or other security which is not in uncertificated form (that is, not in CREST);
“City Code”	the City Code on Takeovers and Mergers published by the Takeover Panel;
“Closing Price”	the closing mid-market price of an Ordinary Share on the Share Calculation Date being £0.000037;
“Company” or “Iconic Labs” or “Iconic”	Iconic Labs plc, incorporated in England and Wales with registered office is at 7 Bell Yard, London, United Kingdom, WC2A 2JR;
“Corporate Governance Code”	the UK Corporate Governance Code, published by the Financial Reporting Council;
“CREST”	the paperless share settlement system and system for the holding and transfer of shares in uncertified form in respect of which Euroclear UK & Ireland Limited is the Operator (as defined in the CREST Regulations);
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755), as amended;
“CVA” or “Company Voluntary Arrangement”	the company voluntary arrangement agreed with the companies creditors on 22 September 2022;
“CVA Shares”	the 1,674,130,609 new Ordinary Shares to be issued to unsecured creditors under the CVA;
“Deed of Issuance”	the Deed of Issuance and Subscription in respect of Notes Convertible into new Shares also dated 23 August 2022;
“Disclosure Guidance and Transparency Rules” or “DTR”	the disclosure guidance and transparency rules of the FCA;
“EHGOSF”	the European High Growth Opportunities Securitization Fund;
“EU”	the European Union;
“Existing Ordinary Shares” or “Existing Share Capital”	the 46,306,916,660 Ordinary Shares in issue at the date of this document;
“Euroclear”	Euroclear & Ireland Limited;

“European Economic Area” or “EEA”	territories comprising the European Union together with Norway, Iceland and Liechtenstein;
“EUWA”	European Union (Withdrawal) Act 2018;
“FCA” or “Financial Conduct Authority”	the Financial Conduct Authority of the United Kingdom acting in its capacity as the competent authority for the purposes of Part VI of FSMA in the exercise of its functions in respect of, among other things, the admission to the Official List;
“Financing Facility”	the £3 million Financing Facility entered into between EHGSOFF and the Company dated 28 September 2022;
“Financing Facility Shares”	Up to 80,180,180,180 Ordinary Shares to be issued by the Company to EHGSOFF under the terms of the Financing Facility;
“February 2019 Prospectus”	the approved prospectus published by the Company on 25 February 2019;
“FSMA”	the Financial Services and Markets Act 2000;
“Greencastle”	Greencastle Capital MM LLP, with registered number OC432255 whose registered office is at Manor Farm, Fritwell Road, Fewcott, Oxfordshire, OX27 7NZ;
“Group”	the Company and its subsidiaries from time to time;
“GSN”	Gay Star News Limited, incorporated in England and Wales with its registered office at 5 Mercia Business Village, Torwood Close, Coventry, West Midlands, CV4 8HX;
“HMRC”	HM Revenue & Customs;
“Latest Practicable Date”	4 August 2023 being the Latest Practicable Date before the publication of this document;
“Linton”	Linton Capital LLP, a limited liability partnership formed and registered in England and Wales under registration number OC308234, the registered office of which is 124 City Road, London, EC1V 2NX;
“Listing Rules”	the Listing Rules of the FCA;
“Loan Notes” or “Notes”	the loan notes or notes created by the Financing Facility;
“London Stock Exchange”	London Stock Exchange plc;
“Management Services Agreement Shares”	Up to 22,027,027,027 Ordinary Shares to be issued by the Company to Ott Ventures s.r.o. and/or Ott Ventures USA, Inc. in respect of monies owed by the Company to the Ott Companies under the MSA;
“MAR” or “Market Abuse Regulation”	the Market Abuse Regulation (596/2014/EU) and implementing measures and guidance in the UK;
“March 2020 Prospectus”	the approved prospectus published by the Company on 25 March 2020;
“MSA”	Management Services Agreement between the Ott Companies and the Company, as described in paragraphs 13.6 of Part IV of this document;
“New Ordinary Shares”	up to 184,964,908,519 ordinary shares to be issued pursuant to this document;
“Nuuco Media”	Nuuco Media Limited, incorporated in England and Wales with registered office is at PO Box 4385, 08150010, Companies House Default Address, Cardiff, CF14 8LH;
“Official List”	the Official List maintained by the FCA;

“Ordinary Shares” or “Shares”	ordinary shares of £0.00001 each in the capital of the Company;
“Original Financing Agreement”	the “Deed of Issuance and Subscription in respect of Financing Notes convertible into Ordinary Shares with Share Subscription Warrants attached” dated 7 February 2020 between the Company and the Investor;
“Ott Companies”	Ott Ventures, s.r.o. and Ott Ventures USA, Inc;
“Overseas Shareholders”	holders of Ordinary Shares who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, or which are corporations, partnerships or other entities created or organised under the laws of countries other than the UK or persons who are nominees or custodians, trustees or guardians for citizens, residents in or nationals of, countries other than the UK which may be affected by the laws or regulatory requirements of the relevant jurisdictions;
“Premium Listing”	a Premium Listing on the Official List under Chapter 6 of the Listing Rules;
“Prospectus Regulation”	the Regulation of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market (no. 2017/1129);
“Prospectus Regulation Rules”	the Prospectus Regulation Rules of the FCA;
“Registrar”	SLC Registrars Limited;
“Regulation S”	Regulation S promulgated under the Securities Act;
“Regulated Information Service” or “RIS”	one of the regulated information services authorised by the RIS or FCA to receive, process and disseminate regulator information in respect of listed companies;
“Securities Act”	the United States Securities Act of 1933, as amended;
“Settlement Deed”	the deed of settlement entered on 23 August 2022 between the Company and, <i>inter alia</i> , Greencastle Media, Arch Capital Partners LLP, Mr D Sefton and the European High Growth Opportunities Securitization Fund;
“Settlement Shares”	Up to 45,045,045,045 Ordinary Shares to be issued by the Company to Linton and EHGSOF under the terms of the Settlement Agreement;
“Share Calculation Date”	31 July 2023;
“Share Option Scheme”	the scheme governing the issue of options to executive directors and employees of the Company, as adopted by the Company from time to time;
“Shareholders”	holders of Ordinary Shares;
“Standard Listing”	a standard listing on the Official List under Chapter 14 of the Listing Rules;
“Subsidiaries”	the subsidiaries to the Company as described in paragraph 3 of Part IV;
“Takeover Panel”	the Panel on Takeovers and Mergers;
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland;
“UK Prospectus Regulation”	the UK version of Regulation (EU) 2017/1129, which is part of UK law by virtue of the EUWA;
“United States”, “US” or “USA”	the United States of America, its territories and possessions;

“VWAP”	Volume weighted average price;
“Warrants”	The warrants to subscribe for Ordinary Shares in the Company;
“Warrant Shares”	Up to 36,038,525,658 Ordinary Shares to be issued by the Company to EHGSOF on exercise of the Warrants.

