

Statement Re Possible Offer for Tungsten Corp

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THIS IS AN ANNOUNCEMENT FALLING UNDER RULE 2.4 OF THE CITY CODE ON TAKEOVERS AND MERGERS (THE "CODE") AND DOES NOT CONSTITUTE AN OFFER UNDER RULE 2.7 OF THE CODE. THERE CAN BE NO CERTAINTY THAT ANY SUCH OFFER WILL BE MADE. THIS ANNOUNCEMENT IS MADE BY KOFAX HOLDINGS INTERNATIONAL LIMITED ON BEHALF OF KOFAX, INC.

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

FOR IMMEDIATE RELEASE

15 December 2021

Kofax, Inc.

Statement Regarding Possible Offer for Tungsten Corporation Plc

Further to the announcement made by Tungsten Corporation Plc ("Tungsten") yesterday, 14 December 2021, Kofax, Inc. ("Kofax") confirms that it has been in discussions with the Board of Tungsten regarding a possible cash offer for the issued and to be issued share capital of Tungsten (the "Possible Offer") at a price of 40 pence per ordinary share of 0.438p each in Tungsten ("Tungsten Ordinary Shares").

Kofax has received an irrevocable undertaking from associates of Mr Edmund Truell, co-founder of Tungsten, to support the Possible Offer, should a formal offer be made, in respect of Tungsten Ordinary Shares which are owned by Issus LP and Long Term Assets Limited (together the "Truell Associates"). The irrevocable undertaking is in respect of the Truell Associates' entire current holding (representing approximately 14.7 per cent of Tungsten's issued ordinary share capital), together with Tungsten Ordinary Shares that they have the option (but are not required by the irrevocable undertaking) to reacquire which are currently held as collateral pursuant to a facility agreement (representing up to approximately a further 3.6 per cent of Tungsten's issued ordinary share capital), and therefore the irrevocable undertaking is in respect of up to approximately 18.2 per cent. in total of Tungsten's issued ordinary share capital. Further details regarding the irrevocable undertaking are set out in Appendix 1.

Kofax has further today been notified by the Truell Associates that Issus LP has today exercised its option to re-acquire 3,000,000 of the 4,500,000 Tungsten Ordinary Shares subject to the facility agreement with Equities First Holdings, LLC (further details of which are included in Appendix 1). Kofax understands that an option over the remaining 1,500,000 Tungsten Ordinary Shares is exercisable on 11 January 2022 and the Truell Associates have communicated to Kofax that it is the present intention of Issus LP to exercise that option.

Tungsten has confirmed that pursuant to Rule 2.6(a) of the Code requires that Kofax must, by no later than 5.00 p.m. on 11 January 2022, either announce a firm intention to make an offer for Tungsten in accordance with Rule 2.7 of the Code or announce that it does not intend to make an offer, in which case the announcement will be treated as a statement to which Rule 2.8 of the Code applies. This deadline can only be extended with the consent of the Panel in accordance with Rule 2.6(c) of the Code.

This announcement is not a firm intention to make an offer and discussions between the parties and customary due diligence are ongoing and remain at an early stage. Accordingly, there can be no certainty that an offer will be made. A further

announcement will be made if and when appropriate.

Pursuant to Rule 2.5 of the Code, Kofax reserves the right to vary the form and/or mix of the offer consideration and vary the transaction structure. Kofax also reserves the right to amend the terms of any offer (including making an offer at a lower value):

- a) with the recommendation or consent of the Tungsten board;
- b) if Tungsten announces, declares or pays any dividend or any other distribution or return of value to shareholders after the date of this announcement, in which case Kofax reserves the right to make an equivalent adjustment to the terms of the price of the Possible Offer;
- c) following the announcement by Tungsten of a whitewash transaction pursuant to the Code; or
- d) if a third party announces a firm intention to make an offer for Tungsten on less favourable terms.

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Shore Capital & Corporate Limited and Shore Capital Stockbrokers Limited (either individually or collectively "Shore Capital") which are authorised and regulated by the Financial Conduct Authority in the United Kingdom, are acting exclusively for Kofax Inc. and for no-one else in connection with the subject matter of this announcement and will not be responsible to anyone other than Kofax Inc. for providing the protections afforded to clients of Shore Capital, or for providing advice in relation to the possible offer or any other matter referred to herein. Neither Shore Capital & Corporate Limited nor Shore Capital Stockbrokers Limited, nor any of their subsidiaries or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Shore Capital in connection with this announcement, any statement contained herein or otherwise.

Disclosure requirements of the Takeover Code (the "Code")

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

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

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or

control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

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

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

Rule 26.1 disclosure

In accordance with Rule 26.1, a copy of this announcement will be made available, subject to certain restrictions relating to persons resident in restricted jurisdictions, on Kofax's website at www.kofax.com/tungsten by no later than noon (London time) on the day following this announcement. The content of the website referred to in this announcement is not incorporated into and does not form part of this announcement.

Appendix 1 - Details of the Truell Associates' Irrevocable

Kofax has received an irrevocable undertaking from Issus LP and Long Term Assets Limited, associates of Mr Edmund Truell, in respect of the Truell Associates' entire current holding of 18,542,558 Tungsten Ordinary Shares (17,983,199 owned by Issus LP and 559,359 owned by Long Term Assets Limited), representing approximately 14.7 per cent. of Tungsten's entire issued share capital, to vote in favour of or accept a firm offer announced under Rule 2.7 of the Code by Kofax.

The irrevocable undertaking also applies to holdings in Tungsten Ordinary Shares otherwise acquired in the period from the date of the irrevocable undertaking until it lapses. The Truell Associates have the option, but are not required by the irrevocable undertaking, to reacquire control of a further 4,500,000 Tungsten Ordinary Shares, representing approximately a further 3.6 per cent. of Tungsten's issued share capital which it transferred as collateral pursuant to a facility agreement entered into between Issus LP and Equities First Holdings, LLC dated 14 October 2016. The irrevocable undertaking is therefore in respect of up to approximately 18.2 per cent. in total of Tungsten's issued ordinary share capital.

The irrevocable undertaking will lapse if: (a) Kofax has not released a formal offer announcement under Rule 2.7 of the Code for Tungsten at 40p per Tungsten Ordinary Share by 31 December 2021 or such later time as may be agreed between Kofax and the Truell Associates; (b) Kofax announces publicly or informs the Truell Associates in writing that it does not intend to make a formal offer for Tungsten under Rule 2.7 of the Code; (c) the offer lapses, is withdrawn in accordance with its terms, or does not become effective by 30 August 2022 or, if later, by the long stop date defined in a formal offer announcement; (d) a competing offer for Tungsten is made at an offer price of more than 49.9 pence per Tungsten Ordinary Share and Kofax has not announced a further offer at an offer price at least equal to the offer price of the competing offer within 28 days of the announcement of the competing offer; or (e) if a competing offer is declared wholly unconditional or, if proceeding by way of a scheme of arrangement, becomes effective.

Appendix 2 - Bases and Sources

In this announcement, unless otherwise stated or the context otherwise requires, the following bases and sources have been used:

- References to percentage ownership of Tungsten have been based on Tungsten's total voting rights last publicly announced before at the date of this announcement, being: 126,537,962 Tungsten Ordinary Shares.
- Certain figures included in this announcement have been subject to rounding adjustments.

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