



RNS Acquisition

Proposed Acquisition and Suspension of Listing

SPINNAKER ACQUISITIONS PLC

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13 December 2021

**Spinnaker Acquisitions Plc
("SPAQ" or the "Company")**

Proposed Acquisition and Suspension of Listing

Spinnaker Acquisitions plc, a company formed for the purpose of undertaking an acquisition or acquisitions of an interest in a company, business or asset operating in the sustainability and/or energy transition sectors is delighted to confirm that it has conditionally agreed to acquire the entire issued share capital of HomeServe Labs Ltd ("Labs"), a wholly owned subsidiary of FTSE250 quoted public company HomeServe Plc, by way of a reverse takeover (the "Proposed Transaction").

The principal activity of Labs is the development and commercialisation of a water security system for the detection of micro-leaks in residential properties. Protected by patents in Europe and the USA, it currently trades under the name LeakBot (www.LeakBot.io). LeakBot is an InsurTech solution that assists home insurers to reduce claims cost, deliver a better customer experience through the benefits of early intervention and provides risk data that potentially allows insurers to differentiate premium pricing.

Water damage is the number one source of claims on residential properties in the 97 million households in LeakBot's target markets and results in significant waste of building materials which often must be stripped out and sent to landfill. The LeakBot technology therefore contributes in a practical way to sustainability by the avoidance of water wastage and the reduction of the amount of damaged building materials being sent to landfill.

The LeakBot technology can be provided free of charge to householders by insurance companies and enjoys strong customer advocacy with a Trustpilot score of 4.8.

Home insurance is a large market with \$96 billion of Gross Written Premium ("GWP") widely expected to be impacted by several broad technological trends such as the Internet of Things (IoT), Artificial Intelligence and digital automation. This is demonstrated by the very large influx of investment into InsurTech, with risk management and claims mitigation being the main areas of focus.

If the Proposed Transaction proceeds to completion, it is proposed to change the name of the Company to Ondo InsurTech Plc and the name of Labs, which will become a subsidiary of the Company, to LeakBot Ltd.

As the Proposed Transaction will constitute a Reverse Takeover, the Company has requested that the listing of its Ordinary Shares be suspended temporarily with effect from 7.30 a.m. today. Pending the publication of a prospectus, the Company intends to make an application for the enlarged Company to have its Ordinary Shares admitted to the Official List and to trading on the Main Market for listed securities of the London Stock Exchange ("Relisting"). Should the Proposed Transaction not proceed, then the Company would need to apply for the suspension to be lifted and for trading to be restored.

The Share Purchase Agreement

SPAQ has conditionally agreed to acquire the entire issued share capital of Labs. The acquisition of Labs will be satisfied by cash, the issue and allotment of new ordinary shares in the capital of the Company (the "Consideration Shares"), such Consideration Shares to be issued at an agreed placing price, and the issue and allotment of new long-term loan notes. The placing price and the balance between the cash, shares and loan note elements of the consideration will be determined following the completion of fundraising activities being undertaken by the Company's brokers in connection with the Proposed Transaction.

Whilst the terms of the Proposed Transaction have been agreed, the acquisition remains subject to the satisfaction of certain conditions, including inter alia:

- The approval of the required share authorities and other ancillary matters to be set out in a Notice of General Meeting by shareholders of the Company;
- The successful completion of fundraising activities to be undertaken by way of a placing and direct subscriptions by new and existing investors; and
- Relisting.

Accordingly, there is no certainty that the Proposed Transaction will proceed.

Notice of General Meeting

A notice will be sent to shareholders shortly seeking approval for resolutions covering the share authorities and ancillary matters required to complete the Proposed Transaction.

The full terms of the Proposed Transaction are expected to be set out in a prospectus which will be published in due course after the General Meeting.

The UK MAR offers, by way of exception to the immediate disclosure of inside information, the possibility on a case-by-case basis to delay such disclosure under certain conditions. In accordance with article 17(4) of UK MAR, any issuer may thus delay, under its own responsibility, the public disclosure of inside information such as not to prejudice its legitimate interests provided that such omission is not likely to mislead the public and the issuer is able to ensure the confidentiality of the information. The Company relied on article 17(4) of UK MAR and delayed the release of information in respect of the signing of a non-binding term sheet in relation to the Proposed Transaction. In the opinion of the board of directors of the Company, the delay of the publication of information on the decision to commence negotiations with Labs was in the Company's legitimate interest as its disclosure was likely to affect the outcome of those negotiations or their normal pattern. The decision to commence negotiations only showed the intention and the final success of those negotiations depended on many factors. In the opinion of the board of directors of the Company, the delay was not likely to mislead the public and they could ensure the confidentiality of the information.

Andy Morrison, Chairman of SPAQ, said:

"In a green economy space where hubristic plans and greenwashing are often seen, we are delighted to be working towards an acquisition that is neither of these. Labs is an established business and technology that taps into an existing insurance business model while making a practical contribution to avoiding waste. We were impressed from the start with the quality of management, and we look forward with confidence to completion and execution."

Craig Foster, CEO of HomeServe Labs Ltd added:

"We have proved LeakBot's efficacy following an extended period of product development and customer implementations in association with major UK, US and Nordic home insurers and are now excited to be entering a new phase of our journey with SPAQ and the continuing support of HomeServe to finance the roll out and adoption of LeakBot in our target markets, where there are some 97 million addressable homes."

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About Spinnaker Acquisitions Plc

Spinnaker Acquisition is a purpose-built cash shell investing within the sustainability and energy transition sector, offering its acquisition target a route to a public listing that is an alternative to an IPO. Its strategy is to invest in a revenue generating, tech driven, scalable businesses with a highly skilled and committed management team and operating in a sector eligible for the London Stock Exchange Green Economy Mark. The Company is led by a team of experienced entrepreneurs and professionals within public markets and the model has maximum alignment with shareholders.

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