
Remote Monitored Systems Plc
Shareholder Q&A

Annual General Meeting

<p><u><i>When will the AGM date be announced?</i></u></p>	<p>The AGM date has been confirmed for 17 August 2021. When we announced the Audited Results for 2020, we fully expected to be able to hold the AGM in July. However, the problem that we faced was that venues were not prepared to take any new bookings until after 12 July; when the UK Government’s roadmap out of lockdown was revealed. As a result, we had to wait until then to arrange a venue before we could finalise the documents and then disseminate via the prescribed channels of communication.. With the AGM having a 21-day notice period (plus posting, it becomes 23 days) the 17 August was the earliest date that we could achieve.</p>
<p><u><i>How will we able to submit questions to be asked at the AGM and how long will investors be given to ask on the day?</i></u></p>	<p>Questions may be submitted by emailing info@remotemonitoredsystems.com. Questions can be submitted before the event but can also be asked on the day. We will seek to ensure that sufficient time is given to answer as many questions as practical.</p>
<p><u><i>What is the official time period being announced prior to a date being set – is it two weeks from RNS announcement?</i></u></p>	<p>The notice period of an AGM is 21 clear days, excluding the deemed date of delivery (which is 24 hours after posting) and the date of the meeting itself. So, the total time between the date of posting and the date of the meeting is 23 days.</p>
<p><u><i>Now that covid restrictions are lifted there would seem little reason in delaying the AGM further and any delay would be viewed as a huge red flag – COVID restrictions were muted as the reason</i></u></p>	<p>The key reason we delayed holding the AGM until after the COVID restrictions were withdrawn, was so shareholders could talk to the board, face to face. Unfortunately, due to uncertainty over the Government’s roadmap to ease the lockdown, venues were not prepared to take bookings until after 12 July when the position was clarified, which delayed our ability to hold the AGM until 17 August. Assuming there</p>

<p><u>for delaying the AGM previously now those restrictions are lifted a date should be announced?</u></p>	<p>are no changes in UK Government guidance regarding COVID-19 restrictions, then the AGM should proceed on that date and the Board of Directors hopes that as many shareholders as possible can attend.</p>
<p><u>What is the rationale for the various resolutions being put to shareholders at the annual general meeting?</u></p>	<p><i>Resolution 1</i></p> <p>This is a customary resolution for shareholders to adopt the annual accounts for the last financial year.</p> <p><i>Resolutions 2-6</i></p> <p>These resolutions provide for the formal election of directors who have been appointed since the last AGM of the Company. The various board directors bring with them a mix of skills and experience which we consider will be important for the future success of the Company, as well as an appropriate balance of governance and independence considered necessary for the continued admission of the Company's shares to trading on AIM.</p> <p><i>Resolution 7</i></p> <p>This is a customary resolution for shareholders to reappoint the Company's auditors.</p> <p><i>Resolutions 8 - 10</i></p> <p>These resolutions allow for the establishment of an EMI share option scheme. The Board consider that this will be important for attracting and retaining new talent for the business, in particular the appointment of a new CEO to drive the business forward which the Board considers to be a critical milestone.</p> <p>The Board is aware of the shareholders concerns over potential dilution and of the reactions to previous grants of options. The Board notes that the proposed scheme will have clear performance targets that should result in an increase in the value of the Company's shares and that the scheme, being capped at 10% of the Company's share capital, is within standard corporate guidelines for such schemes.</p> <p><i>Resolutions 11 - 12</i></p> <p>These resolutions provide the Board with flexibility to issue a limited number of new shares for cash.</p>

	<p>The Board is aware of the shareholders concerns over potential dilution and of the reactions to previous issues of shares or options. The Board notes that the proposed scheme, being capped at 5% of the Company's share capital, is within standard corporate guidelines.</p> <p><i>Resolution 13</i></p> <p>To change the name of the Company from Remote Monitored Systems Plc to nanosynth group plc.</p> <p>The Board considers that each of the Resolutions to be proposed at the AGM are in the best interests of the Company and its shareholders as a whole and it unanimously recommends that shareholders vote in favour of each of them as the Board intend to do so in respect of the Ordinary Shares held by them, representing approximately 13% of the current issued ordinary share capital.</p>
<p><u>What happens if all or a majority of the directors are not re-appointed?</u></p>	<p>Major changes to the board of directors could adversely impact the Company's suitability to remain an AIM quoted company with the possibility that trading in its shares is suspended.</p>
<p><u>Why do the options need to be approved now?</u></p>	<p>Without the ability to issue options, the Company is limited in its ability to negotiate terms with a potential new CEO. High quality candidates who have existing roles or other opportunities could be unwilling to accept the role with the risk that an equity participation may not be forthcoming.</p>

Announcements

<p><u>Were the three RNS's released due to them being deemed as price sensitive? Why did the company deem it appropriate to release three RNS' within a week but then have no further</u></p>	<p>No, the Company is not selective in what is releases to the market. It must adhere to the AIM Rules for Companies, in this case specifically Rules 10 and 11 which together state that an AIM company must issue notification without delay on a regulatory news service, no later than it is published elsewhere, of any new developments which are not public</p>
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<p><u>marketing/PR follow up? – No interviews – No social media – none of the usual investor relations channels are being used – this seems very strange and somewhat unfathomable?</u></p>	<p>knowledge which, if made public, would be likely to lead to a significant movement in the price of its shares.</p> <p>We try to co-ordinate the process when possible, so that we only need to make a single major announcement, but it does not always happen that way as the counterparties have their own timing and processes to consider. In this instance, the three agreements were signed over differing days during the week, leading to three different announcements. The new products will be the subject of future interviews in-line with market strategies.</p>
<p><u>Can we expect announcements on the significant deals as set out in the previous RNS's? – near term was mentioned</u></p>	<p>As soon as any significant deal is signed, it will be announced; however, the timing is always difficult to accurately predict. We are working on a number of major ideas that we anticipate coming to a successful conclusion in the near term, but that could still be 2-3 months away and, as shareholders are aware, the wider picture of the pandemic can also influence matters.</p>

Products

<p><u>Will we be provided guidance on why the x 5 ply has been developed – ie is this for a specific market that has expressed interest in buying this product? we haven't yet been very successful with the x 4 Ply in terms of UK sales to our knowledge – why do RMS deem that 5 x Ply would be much more widely adopted?</u></p>	<p>Development on the 5-ply started last year with the difference between the two masks being in the outer material. The reason for its development was to ensure that we had access to alternative materials and so limit any potential bottlenecks in the supply chain. The 5-ply has been certified but we have not launched it as a product due to not wanting to confuse the market with two similar products.</p>
<p><u>Will we be receiving an update on the two new products which are being developed?</u></p>	<p>As soon as any market sensitive update is required, we will make an announcement without delay.</p>

<p><u>Is there any update on the filters in terms of development and potential application?</u></p>	<p>No, not at this time. It remains one of several new product initiatives that the Company is working on. As soon as we are in a position to update shareholders then we will make an announcement without delay.</p>
<p><u>What is the situation with the FFP2 mask as seems the NHS ideally want that one - or is this another case of you are working on it but don't want to tell anyone...?</u></p>	<p>The development of an FFP2/FFP3 mask is under consideration but there is currently no timeframe.</p>
<p><u>Can I ask if you will be issuing an RNS or publicising the fact that the machine is now fully operational and running at full capacity? Please could we have an update on the maintenance schedule for the mask machine?</u></p>	<p>As soon as we have concluded our discussion with Lemu on the machine, then an announcement will be made.</p>
<p><u>Why do we know about the 4-ply's details, which were in an RNS, but have absolutely no details about the 5-ply? Is it actually better than the 4-ply?</u></p>	<p>Development on the 5-ply started last year with the difference between the two masks being in the outer material. The 5-ply has been certified but we have not launched it as a product due to not wanting to confuse the market with two similar products.</p>

Sales & Marketing

<p><u>Will we receive a company progress announcement in terms of sales?</u></p>	<p>The Company will provide a full breakdown of the first half sales at the time of the Interim Results in September 2021.</p>
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<p><u>Is the current strategy of marketing masks to India still an operationally viable route and will we be receiving an update on further India Orders?</u></p>	<p>Yes, we believe the current strategy is still operationally viable and as soon as any further updates are required, we will make an announcement without delay.</p>
<p><u>Will we be receiving an update on Numed Sales?</u></p>	<p>As soon as any update is required, we will make an announcement without delay.</p>
<p><u>Graham heads up sales and unfortunately as far as we have been informed hasn't been able to sell any masks in significant volume – will the sales team be bolstered and is it being considered that a 'Head of Sales' with appropriate health service credentials be employed as a matter of urgency?</u></p>	<p>The Company strategy is to develop a wide range of products, not just the mask; so a pure Healthcare salesperson is not necessarily the right appointment. The Company will be looking to build out the sales team where appropriate to do so.</p>
<p><u>Obviously, Marketing/social media & Website not being updated is discussed time and time again. There does not seem to be any form of PR regarding masks in any domain, could you comment at all on the marketing side of the products such as the masks and hydroponic fertiliser? Seems like there has been none to date and was wondering if the company is waiting for the name change before it commences?</u></p>	<p>The Company is in the process of appointing marketing agencies to improve the marketing of our products. We do indeed want to incorporate the name change and re-branding into any major marketing initiatives. When the mask was originally conceived at the height of the pandemic, the assumption was that it would initially be a mass market product. As the pandemic has subsided, it has been easier to understand the correct target markets, which are those where infection control is very important, and to build a marketing campaign that is more tightly orientated towards those markets. With the potential onset of a third wave of infections we consider our product to still be very relevant to these markets and expect the associated marketing campaign to be launched in the near future.</p>

Company Personnel/Appointments

<p><u>Obi received 10m shares from the company – could we have an overview of what he does in his role please?</u></p>	<p>While a consultant (1 day / week) into P2F, Obi received shares for his achievements in helping develop the face mask concept (including securing UK Government Innovate UK funding) and business model. In the first half of this year, Obi was appointed to a full time position within the company, taking on an more involved operations role. This included undertaking the strategic review of Phamr2Farm. He is now focussed on the new product development portfolio.</p>
<p><u>Do the board / senior mgt have any intention of purchasing stock – when rules permit?</u></p>	<p>Since the Chairman’s appointment the board has been subject to various close periods during which directors have been unable to acquire any stock. That situation is likely to remain in place for some time yet.</p>
<p><u>Is there a plan to change the Nomad – obviously the links with SP-Angel and Peterhouse with TB being an ex-director of Peterhouse doesn’t sit well with investors?</u></p>	<p>There is no plan to change the Nomad from SP Angel.</p>
<p><u>The CEO search has been ongoing since Feb – is there an update?</u></p>	<p>The CEO search did not begin until much later as the first stage was to undertake a strategic review of the Group. That was done, with the decision also to reduce the Group’s holding in Gyrometric Systems Limited. The search for a new CEO then commenced in early May with the first step being to appoint the right firm of head-hunters which has now taken place. The Board expects that to attract a suitable candidate we will need to be able to offer a remuneration package which includes options, hence the resolution being put to the forthcoming AGM.</p>
<p><u>The search for a Marketing Director has been ongoing since Apr – is there an update?</u></p>	<p>This remains under review, but we are unlikely to make any appointment until after the new CEO is in place.</p>

<u>Could you confirm how many days per week GC works for RMS and also how many days per week AL works for the company?</u>	Gareth is contacted to work for RMS one day per week. Antony is contracted to work full time for RMS in his current role as interim Executive Chairman.
<u>JH's contract ran until the end of June – has it been extended? – why no update? is he even still contracted to remain.</u>	We remain in discussions with Lemu and will make an announcement as soon as it is appropriate.
<u>Perhaps you need to employ a sales-based-remunerated marketing manager to improve this area, considering the number of new turbines forecast to be built.</u>	The lead times for sales into turbines are substantial and the investment required by Gyrometric was significant. Hence the Board reluctantly decided to return control to the Founders of Gyrometric
<u>Are all employees of the company banned from using social media to promote the company – if so how long is the company intending to keep this ban in place?</u>	We have had to be careful over the use of social media due to comments being used on bulletin boards, some of which had been taken out of context. Questions were being put to employees that they were not in a position to answer. As a result, it was easier to temporarily restrict what was said via social media channels. The Company is working on a new social media campaign to improve awareness of the Company and its products but this will be for sending information as opposed to a Q&A forum.
<u>Are there alternative incentive packages that could be offered to a new CEO instead of options?</u>	A new CEO will seek to be remunerated proportional to the value they create for shareholders, and that generally means having an equity participation via performance related options. There are alternatives whereby a cash payment is made but this could be very expensive for the Company and would mean cash that should be being used to grow the business instead has to be set aside to pay the CEO. Options offer a clear alignment between the executive management

	<p>and the shareholders. EMI options are particularly tax efficient and are used by many companies. The 10% limit is the widely accepted level and allows for options to be granted to a CEO, an FD and other members of the executive management team.</p>
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Regulatory & Legal

<p><u>Have the FCA intervened and requested any ban which is currently in place or is this a directive from the BOD?</u></p>	<p>The use of social media is not a matter for the FCA, unless a company were to breach the regulations on releasing price sensitive information. Given the large volume of questions being submitted by social media to the Company and its employees, coupled with the risk that the wrong information might be released, the Board decided that it was in the Company's best interest to restrict the use of social media platforms until a structured campaign could be implemented.</p>
<p><u>In what form will the govt lobbying take place as detailed in an RNS – when will we see the actions taken?</u></p>	<p>There are a range of options for lobbying Government that the Company is considering to ensure that we achieve the right value for money.</p>
<p><u>Will the company be reacting to the change in govt restrictions (mask wearing) – a statement that this does not impact RMS as we have not been able to sell to the public in any significant quantities and it is not our core focus would do a lot appease and reassure some of the investing community – surely a statement from AL should be forthcoming and will the company be issuing any</u></p>	<p>It is difficult to know exactly the consequences of the recent loosening of restrictions. Some areas still requirements masks, such as Transport for London; there are surveys that suggest a majority of people will still wear a mask; and we do not yet know the impact of the autumn flu season.</p>

<u>media in relation to this and how it may effect strategy?</u>	
<p><u>Are we undergoing legal proceedings against any connected party to claw back money due to loss of reputation by their actions (that goes against the Director's code as outlined in the 2019 annual report?)</u></p> <p><u>And has the FCA warned RMS, and SP Angel regarding this behaviour during the closing months of last year?</u></p>	<p>We can neither confirm, deny nor comment in any way on any discussions that we may or may not be having with the FCA. Nor would we make any comment on legal proceedings that may be under consideration. However, we can confirm that the Group is not currently involved in any legal proceedings against a third party.</p>

Financials

<p><u>Can you provide shareholders with an exact figure of the bank balance in the bank?</u></p>	<p>No, it changes on a daily basis. We gave an approximate figure at the time of the Final Results (being £5.0m as at 7 June) and will update shareholders again in September with the Interim Results. The Company continues to consume cash as we work to grow sales, but there is more than sufficient in the bank and the Board currently sees no need to raise any capital in the near term.</p>
<p><u>Can you provide exact details of the financials / statement of account also until 7th June in order to support that figure?</u></p>	<p>AIM listed companies are required to issue their financials twice a year; being the Interim and Final Results. Both are a time consuming exercise with the additional expense of having external accountants review the figures before they are released to the market. The Company's unaudited interim results for the six month period to 30 June 2021 are expected to be announced in September.</p>
<p><u>Why are you writing off (325k+33k+104k=)500k of loss by returning Gyrometric? Surely either find a buyer who will invest</u></p>	<p>The reason for transferring the shares back to the Founders of Gyrometric are set out in the Notice of the General Meeting convened for that purpose. However, in short, the Board did not consider the potential return to be sufficient to justify the risk of a further investment.</p>

<p><u>or hold on to it for 3 more years (if the loss is the same year on year then the sum loss would be the same after this period or accumulate more loss to offset against the profits that you must surely know are coming) or shell it back to the founders or liquidate it. If the aim is to break from BRH then you really should give up all interest in it and not keep 15%. To this end and without adequate explanation of your actions I will be voting against the handing back at the AGM.</u></p>	
<p><u>Found this on the Frankfurt stock exchange - is this us? Sister listing in euros? When did this start? Can you provide more details on this and if I can invest in euros? What are the total voting rights for the European listing - the same?</u></p>	<p>The Board is as mystified by this as our shareholders. We did not apply for this and we are seeking to discover more about the situation.</p>
<p><u>If say Volz (or indeed any company) wanted to buy out RMS (takeover) would they first need to acquire 50% of shares on the open market (raising a TR1 after the 3% threshold) or indeed can an acquiring company make an offer without holding any shares at the time of the offer?</u></p>	<p>Yes, anyone can make an offer to acquire a quoted company, whether or not they already possess a holding. The rules are set out the Takeover Code, which is published in the UK by the Takeover Panel.</p>

Shareholders

<p><u>Improved shareholder communication was first acknowledged in an RNS in March – does the board believe that it has met the expectation they set that an improvement would be forthcoming?</u></p>	<p>The Board recognises and apologises for not meeting the expectations of regular Q&A sessions with shareholders; however, the time that would have been required to respond to the large volume of emails was needed to focus on core strategy and commercial elements within the business. Instead IFC have responded to each email on behalf of the board.</p>
<p><u>Will you be requesting shareholder approval for the name change or is this something that is not needed to be approved (I'd approve anyway, just questioning if it is needed)?</u></p>	<p>Shareholder approval is required for the name change and is one of the resolutions being put forward at the AGM.</p>