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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF ARTICLE 7 OF REGULATION (EU) 596/2014, WHICH IS PART OF DOMESTIC UK LAW PURSUANT TO THE MARKET ABUSE (AMENDMENT) (EU EXIT) REGULATIONS 2019 (SI 2019/310) ("**UK MAR**"). UPON THE PUBLICATION OF THIS ANNOUNCEMENT, THIS INSIDE INFORMATION (AS DEFINED IN UK MAR) IS NOW CONSIDERED TO BE IN THE PUBLIC DOMAIN.

12 July 2021

Hawkwing plc

("Hawkwing" or the "Company")

Potential Acquisition and Suspension of Listing

Hawkwing plc (LSE: HNG) is pleased to announce that it has entered into non-legally binding heads of terms for the acquisition of Internet Fusion Group Limited ("**Internet Fusion Group**") (the "**Proposed Acquisition**").

Key highlights

- Internet Fusion Group is an ecommerce aggregator using its technology platform to change the economics of speciality e-retail
- The Proposed Acquisition and an associated proposed private fundraise by Hawkwing, details of which will be announced in due course, will help to fund and accelerate Internet Fusion Group's advanced acquisition pipeline of niche e-retailers
- Internet Fusion Group is run by a highly-experienced executive team of lifelong digital retailers, including digital retail expert John Browett (previously CEO of Dunelm Group, Dixons Retail and Tesco.com) (Executive Chairman) and Joe Murray (Chief Executive Officer)

Following completion of the Proposed Acquisition, it is intended that the enlarged group will be Chaired by John Browett and the Chief Executive Officer will be Joe Murray.

About Internet Fusion Group

Internet Fusion Group is an ecommerce aggregator using its technology platform to change the economics of speciality e-retail. It brings together specialised retail businesses and brands onto its own proprietary end-to-end digital platform, 'Reactor'. Reactor enables specialised retail businesses to unlock efficiencies of scale while preserving a differentiated and authentic customer experience.

Internet Fusion Group already owns and profitably operates nine speciality retail businesses and has a deep understanding of the dynamics of niche brands. The company has a strong track record of acquiring niche e-retailers at attractive multiples and transforming their profitability through the Reactor platform. Internet Fusion Group is also at the early stages of offering the Reactor platform as a service to supplier brands looking to scale their Direct to

Consumer offer – giving them low-cost access to all the benefits of a bespoke seamless online retail business engine, and the agile warehousing and delivery systems required to support it.

Keith Sadler, Senior Independent Non-Executive Director of Hawkwing, commented: "Internet Fusion Group is a well-established business with a proven track record of owning and profitably operating multiple speciality e-retailers. The company has a seasoned team behind them with extensive industry experience and exciting growth plans. The potential acquisition of Internet Fusion Group fits in the sweet spot of our strategy to target businesses that are profitable and cash generative and can create value for our shareholders."

John Browett, currently Executive Chairman of the Management Board of Internet Fusion Group, said: "This proposed transaction allows Internet Fusion Group to accelerate its near-term acquisition pipeline of profitable speciality retailers. Speciality retailers play a really important role in the retail landscape, allowing tribes of people with the same passions to browse for high quality products amongst like-minded people and buy from like-minded brands. By operating independently, niche retailers can struggle to meet their growth potential. Through our 'Reactor' platform, we bring together speciality businesses so we can unlock the advantages of scale while preserving the experience of niche. I'm hugely excited for the long-term growth ahead of us, and am delighted that this proposed transaction will provide significant near-term momentum for our business."

Suspension of shares

Hawkwing is a cash shell with its ordinary shares admitted to listing on the standard segment of the Official List of the Financial Conduct Authority ("**FCA**") and to trading on the main market for listed securities of London Stock Exchange plc (the "**London Stock Exchange**") ("**Standard Listing**"), and the Proposed Acquisition is deemed to be a reverse takeover under the listing rules of the FCA. Where a reverse takeover is contemplated but has not yet been completed, the FCA will normally suspend a company's listing pending the publication of a prospectus prepared in accordance with the prospectus regulation rules of the FCA and approved by the FCA, or an announcement that the Proposed Acquisition is not proceeding. Accordingly, the Company has requested from the FCA a suspension of its Standard Listing with effect from 7.30 a.m. on 12 July 2021.

The Company will update shareholders as to progress made in relation to the Proposed Acquisition as and when appropriate. As no binding agreement on mutually acceptable terms has yet been reached between the parties, Hawkwing cannot guarantee nor provide any certainty that the Proposed Acquisition will be completed.

For the purposes of UK MAR, the person responsible for arranging for the release of this announcement on behalf of Hawkwing is Keith Sadler, Senior Independent Non-Executive Director.

– Ends –

Enquiries:

Hawkwing plc

Keith Sadler, Senior Independent Non-Executive Director +44 20 7618 9100

Luther Pendragon (Hawkwing plc)

Harry Chathli, Alexis Gore +44 20 7618 9100

Brunswick Group (Internet Fusion Group Limited)

Rosie Oddy, Lana Serebryana +44 20 7404 5959

About Hawkwing plc

For more information, please refer to the Company's website: www.hawkwing.co