

THIS ANNOUNCEMENT CONTAINS INFORMATION WHICH, PRIOR TO ITS DISCLOSURE, WAS INSIDE INFORMATION AS STIPULATED UNDER REGULATION 11 OF THE MARKET ABUSE (AMENDMENT) (EU EXIT) REGULATIONS 2019/310 (AS AMENDED).

Press Release

25 October 2021

Dispersion Holdings PLC

("Dispersion" or "The Company")

Acquisition of DeFi Yield Technologies Inc.

Dispersion (AQSE: DEFI), an incubator specialising in decentralised finance ("DeFi"), is pleased to announce the proposed acquisition of the entire share capital not already owned by Dispersion of Defi Yield Technologies Inc. ("DFTI"), a platform for investment into decentralised financial services, for a consideration to be satisfied by the issue of 348,725,646 new ordinary shares in Dispersion.

The acquisition follows two rounds of investments by the Company in DFTI totalling CAD\$1 million for a 6.1% interest. The deal is the second major acquisition by the Company in the cryptocurrency yield farming sector and will complement the proposed purchase of Accru Finance Ltd, a platform which enables cryptocurrency traders to access high yields being generated from lending out digital assets worldwide, announced on 18 October 2021.

Both acquisitions are subject to shareholder approval for an increase in the Company's total issued share capital at a general meeting on Tuesday 26 October. Assuming approval and completion of both acquisitions, the Company's total shares in issue will increase from 612,500,000 to 1,211,225,646. On its completion, DFTI's sellers will hold 28.79% of the enlarged share capital of the Company.

82.4% per cent of the new shares to be issued to the DFTI sellers will be subject to a 12-month lock in period followed by a further 12-month orderly market period. The remaining 17.6% are subject to a 6-month lock in period followed by a further 6 months orderly market period.

Background to and rationale for the acquisition:

Dispersion was incorporated to identify investment opportunities in various high growth sectors, with a focus on companies in the FinTech sector and it was admitted to the AQSE Growth Market Access Segment on 30 April 2021. The acquisition of DFTI, registered in Canada, will expand and complement the Company's involvement in the yield farming sector as DFTI is focussed on the corporate sector while Accru Finance will be positioned as a consumer facing platform.

DFTI will use its proprietary DeFi yield engine and trading strategies to build a suite of automated, diverse and easy-to-use DeFi products including staking¹, the act of locking cryptocurrencies to receive rewards, and yield farming², where crypto assets are put to work with the intention of generating the highest returns possible. DFTI has developed an easy-to-use suite of automated, diversified and optimised yield generating products administered through their partner platform Valet.fi. By leveraging different DeFi protocols and strategies to increase diversification, their solution aims to maximize yield while minimizing exposure to risk. www.defiyield.tech.

DFTI is also developing a mobile yield application with features allowing its users to deposit funds directly from their bank accounts. It aims to generate fees by charging a percentage of assets staked through its applications for its asset allocation services.

Dispersion believes there is significant demand from market players to access and deposit cryptocurrency, with significant revenue to be generated through interest yields as well as lending and automated market making.

DFTI is led by chief executive, Dr. Philipp Kallerhoff, who has a successful track-record in managing hedge funds across asset classes including the management of the DeFi hedge fund for Protos Asset Management, a Swiss based provider of cryptocurrency and DeFi exposure, generating a 3.5% monthly return in their DeFi yield fund primarily from USD stable coin between November 2019 and April 2021.

DFTI will operate as a standalone business of which Dispersion will have full ownership, oversight and control, leveraging the experience and operational skills of the Company’s Board to accelerate and maximise DFTI’s profit opportunity.

Commenting on the proposed acquisition, Mike Edwards, chief executive of Dispersion Holdings, said: “We are deepening our commitment in the yield farming sector with the acquisition of DeFi Yield which addresses a significantly underserved need for an easy-to-use decentralised platform to exploit crypto’s high yield opportunities. The acquisition will complement our proposed purchase of Accru Finance and allow the Company to further gain exposure across the burgeoning DeFi sector in both the corporate and consumer facing markets.”

Dr. Kallerhoff, executive chairman of DeFi Yield Technologies Inc, said: “We are delighted to work with Dispersion Holdings, whose expertise in the DeFi, crypto and fintech industries and capital resources provides a perfect fit for the oversight and support of our operations. We are keen to continue the development of a service of excellence which delivers on democratising access to disruptive programmes in a sector which we believe to be the future of finance.”

The directors of Dispersion Holdings plc accept responsibility for this announcement.

For further information please contact:

Dispersion Holdings	
Mike Edwards Chief Executive	via Tancredi +44 207 887 7633
Neil Thapar Investor Relations	+44 7876 455 323
Novum Securities	
AQSE Corporate Adviser David Coffman / Lucy Bowden Broker	+44 207 399 9400

Colin Rowbury / Jon Belliss	
Tancredi Intelligent Communication Media Relations	
Edward Daly	+44 7861 430 057
Salamander Davoudi dispersion@tancredigroup.com	+44 7957 549 906

About Dispersion Holdings PLC:

Dispersion Holdings is an incubator specialising in opportunities in decentralised finance (DeFi), a disruptive technology using blockchain and cryptocurrencies to remove financial intermediaries from transactions, creating a cheaper, more efficient and more secure way of providing financial services. Listed on the Aquis Exchange in London, we apply our expertise to the business operations and strategic plans of FinTech companies in the UK, USA and Canada, and act as an accelerator for start-ups and early-stage companies. www.dispersionholdings.com

Notes to Editors:

¹**Staking:** Most often refers to the process of validating transactions through Proof-Of-Stake mining (POS) on POS blockchains. POS mining typically involves locking funds in a smart contract or node to receive staking rewards for supporting the security and operations of a blockchain network.

²**Yield farming:** Also known as liquidity mining, yield farming is the process of staking cryptocurrency assets into unique smart contracts/DeFi protocols with the goal of earning interest yield on the deposited asset, as well as "mining" reward tokens, often referred to as governance tokens. These smart contracts, sometimes referred to as liquidity pools, lend or provide the necessary liquidity to facilitate DeFi applications, like decentralized exchanges, and in turn receive a percentage of the fees, as well as incentive rewards. Yield is most commonly generated through lending and automated market making.