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**SRT MARINE SYSTEMS PLC  
(AIM: SRT)  
("SRT" or the "Company")**

**Placing to raise £3.0 million and Loan Note Refinancing**

SRT, the global provider of maritime surveillance, vessel tracking, monitoring and management systems, is pleased to announce that it has raised gross proceeds of £3.0 million through a placing of 12,000,000 new ordinary shares of 0.1 pence each in the capital of the Company ("Ordinary Shares") at a price of 25 pence per Ordinary Share (the "Placing"). The Placing will provide the Company with growth capital and working capital to fund new and ongoing systems projects as well as to accelerate product development. In addition, the Company is refinancing £1.15 million of short term loan notes and will issue new three year loan notes to the same value (the "Loan Note Refinancing").

**Summary of the Placing and Loan Note Refinancing**

- The Placing is to raise gross proceeds of £3.0 million at a price of 25 pence per new Ordinary Share (the "Placing Price").
- Application will be made for the new Ordinary Shares to be admitted to trading on AIM ("Admission"). It is expected that that Admission will become effective at 8.00 a.m. on 4 June 2018 and that dealings in the Ordinary Shares will commence at that time.
- The Loan Note Refinancing has been arranged by LGB Corporate Finance ("LGB").

**Reasons for the Placing and use of proceeds**

The Placing has been conducted with institutional and existing shareholder support. The net proceeds of the Placing will be used to provide growth capital and working capital to fund new and ongoing systems projects as well as to accelerate product development.

Commenting on the Placing, Simon Tucker, CEO of SRT said:

"Our maritime surveillance and monitoring systems business has transformed SRT. In addition to our day to day transceivers business we are now addressing substantial systems project opportunities around the world, with £30.5 million of ongoing projects and a validated pipeline of £419 million, of which £119 million are classified as being in the final procurement phase. Most of these projects are with sovereign governments and thus there are some initial working capital requirements in the early stages of each project, however going forward this will be minimised through the use of the UKTI export financing programmes which enables risk and working capital to be substantially reduced. This per project working capital from the UKTI export finance programs will be supplemented by the new capital we have raised today, which we intend to also use to accelerate our systems product development."

**Update on Projects and Pipeline**

The Company is pleased to provide further information on the Asian project referred to in its year end trading update announcement dated 11 April 2018. This project is set to provide SRT's VMS System to a country in South East Asia and has an anticipated total contract value of £25 million, payable over four years. Project

contracting and financing is currently being finalised to allow payments to commence for project deliveries which have already been undertaken. This process has continued longer than initially expected due to budget re-allocation by the country's government from a foreign government loan to its own internal funds.

The Company also advises that a £5 million project with a Middle Eastern country, revenue from which is payable over two years, is being re-negotiated to expand the original project plan. The expanded project plan will include the provision of transceivers in the first phase of the project, which is earlier than previously anticipated. This re-negotiation has resulted in the delay of receipt of £1.2 million due to SRT.

In its Systems Business Validated Sales Opportunity Pipeline ("VSP"), the Company currently has the following revenue opportunities:

- two systems projects that are ongoing that will generate £30.5 million; and
- ten systems projects at the procurement stage that would generate a total of £119 million; and
- eleven systems projects at the planning stage that would generate a total of £167.5 million; and
- six systems projects at the specification stage that would generate a total of £132.5 million.

Therefore the Company has a total of £419 million of validated sales opportunities being discussed with new and existing customers, up from £273 million 12 months ago. The majority of these sales opportunities are direct with government entities and are driven by a combination of national security and fisheries management concerns, some of which are provided with further imperatives by international and regional regulations such as the EU Fish Catch Certification and IUU program.

The nature of the government projects is that payment terms are often extended and variable and thus often result in a working capital gap during the initial delivery phases. The UK Trade & Industry Department ("UKTI") offers a range of export finance solutions aimed at assisting UK companies such as SRT with the credit challenges associated with exporting. SRT intends to make use of the various UKTI credit guarantee programs that will enable SRT to accelerate cash receipts associated with our systems business and thus significantly reduce the working capital required for projects, whilst also enabling customers to maintain their payment budgets.

### **Details of the Placing**

finnCap Ltd ("finnCap") acted as nominated adviser, broker and sole bookrunner in connection with the Placing.

The Placing is subject to the terms and conditions set out in the appendix (the "Appendix") to this announcement (which forms part of this announcement, such announcement and the Appendix together being, this "Announcement"). The Placing was not underwritten.

By participating in the Placing and by making an oral and/or written legally binding offer to acquire new Ordinary Shares, investors will be deemed to have read and understood this Announcement in its entirety, including the Appendix, and to be making such offer on the terms and subject to the conditions contained herein and to be making the representations, warranties, undertakings and acknowledgements contained in the Appendix to this Announcement.

The new Ordinary Shares, when issued, will represent approximately 9.4 per cent. of the Company's issued share capital prior to the Placing. The Placing Price of 25 pence per new Ordinary Share represents a discount of approximately 4.8 per cent. to the closing mid-market price of 26.25p pence per Ordinary Share on 29 May 2018, being the last trading day immediately preceding the date of this Announcement.

The new Ordinary Shares, when issued, will be fully paid and will rank *pari passu* in all respects with the existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid in respect of such Ordinary Shares after the date of issue.

### **Related Party Transaction**

The participation by Robert Persey in the Placing is a related party transaction under Rule 13 of the AIM Rules as Mr Persey is a substantial shareholder in the Company.

The Directors of the Company, having consulted with finnCap in its capacity as the Company's nominated adviser for the purposes of the AIM Rules, consider the terms on which Robert Persey participated in the Placing to be fair and reasonable insofar as the Company's shareholders are concerned.

### **Admission**

Application has been made for the new Ordinary Shares to be admitted to trading on the AIM market ("AIM") of the London Stock Exchange ("Admission"). Settlement for the new Ordinary Shares and Admission is expected to take place at 8.00 a.m. on 4 June 2018. The Placing is conditional, *inter alia*, upon Admission becoming effective and the placing agreement between the Company and finnCap (the "Placing Agreement") not being terminated in accordance with its terms.

On Admission the Company's issued share capital will comprise of 139,742,419 Ordinary Shares, with no Ordinary Shares held in treasury. Therefore the total number of Ordinary Shares in the Company with voting rights will be 139,742,419. This figure may be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the share capital of the Company under the FCA's Disclosure Guidance and Transparency Rules.

The Appendix sets out further information relating to the Placing and the terms and conditions of the Placing.

### **Details of the Loan Note Issue**

In December 2017 LGB Corporate Finance arranged a £10 million secured loan note programme for SRT, to be used as a treasury management tool and to support the Company's working capital and capex requirements.

The loan note programme was established concurrent with a £2 million initial issue of three year notes, with a further short term issue of loan notes of £1.15 million issued in March 2018 making a total of £3.15 million of loan notes in issue. Notes issued under the programme are secured and rank second to a previously provided senior secured term facility of £1.0 million with Barclays Bank, under which £375,000 is currently outstanding and expected to be repaid in full this financial year.

The Company now intends to use the loan note programme to issue new three year loan notes in the total principal amount of £1.15 million which will be used to repay the existing £1.15 million of short term loan notes which were issued in March 2018 under the programme. Following completion of this transaction, the Company will have a total of £3.15 million three year term loan notes outstanding of the £10 million secured loan note programme.

This Announcement should be read in its entirety. In particular, you should read and understand the information provided in the "Important Notices" section of this Announcement.

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**About SRT Marine Systems plc:**

SRT develops, manufactures and supplies maritime surveillance and vessel tracking technologies, products and systems. The Company's products and solutions are used by individual vessel owners, port authorities, maritime infrastructure owners, coast guards, fishery agencies and other national security agencies to enhance their maritime domain awareness, monitoring and management capabilities. Applications include the tracking of commercial and leisure vessels; sustainable fishery; anti-collision; search and rescue; waterway management, port and coast security; pollution management; and environmental management.

The information communicated in this announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) No. 596/2014. In addition, market soundings (as defined in MAR) were taken in respect of the Placing with the result that certain persons became aware of inside information (as defined in MAR), as permitted by MAR. This inside information is set out in this Announcement. Therefore, those persons that received inside information in a market sounding are no longer in possession of such inside information relating to the Company and its securities. The person responsible for this announcement is Richard Hurd, Chief Financial Officer of SRT.

**Risk factors**

- The nature of SRT's customers means that the status of a system opportunity and or contract can materially change suddenly and without notice.
- SRT's systems business is driven by governments and thus can be subject to significant risk including but not limited to: the forecasting of project commencement dates and project delivery schedules, political and financial change and uncertainty, sudden cancellation and or changes to contracts without the possibility for redress, renegotiation and or compensation.
- Different customers and countries have different procurement and legal processes, which are often opaque and difficult to understand, and can mean that projects are undertaken where contracts do not exist and or are not legally enforceable.
- Revenue and profit numbers announced for year ending 31st March 2018 are subject to audit and contain material revenues recognised from systems business and therefore may be subject to material adjustment upon audit.
- Payment terms are frequently extended and variable and in the event of non-payment may not be collectable due to the nature of the customers.
- Delivery schedules can be highly variable due to factors such as manufacturing supply chain issues and local in-country issues such as availability of hosting infrastructure, import issues and customer co-operation issues resulting in significant project delivery and therefore revenue delays.
- The presence of an existing contract with an existing customer does not provide surety that there will be future follow on contracts.
- As SRT enters multiple project contracts, project execution risk will become an increasing challenge.

**IMPORTANT NOTICE**

This Announcement has been issued by and is the sole responsibility of the Company.

This information contained in this Announcement is restricted and is not for release, publication or distribution, directly or indirectly, in whole or in part, in, into or from the United States (including its territories and possessions, any state of the United States and the District of Columbia, collectively the "United States") Australia, Canada, Japan or South Africa or any jurisdiction in which the same would be unlawful.

This Announcement is for information purposes only and does not constitute an offer to sell or issue or the solicitation of an offer to buy, acquire or subscribe for shares in the capital of the Company in the United States, Australia, Canada, Japan or South Africa or any other jurisdiction where such offer or solicitation may be restricted, unlawful or unauthorised. Any failure to comply with these restrictions may constitute a violation of the securities laws of such jurisdictions. Subject to certain exemptions, the securities referred to

herein may not be offered or sold in Canada, Australia or Japan or to, or for the account or benefit of any national resident or citizen of Canada, Australia or Japan. The Ordinary Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (“Securities Act”) or the securities laws of any other jurisdiction of the United States, and may not be offered, sold or transferred, directly or indirectly, in the United States absent registration under the Securities Act or an available exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and the securities laws of any other jurisdiction of the United States. No public offering of the shares referred to in this Announcement is being made in the United States, United Kingdom, Australia, Canada or elsewhere.

No prospectus will be made available in connection with the matters contained in this Announcement and no such prospectus is required (in accordance with the Prospectus Directive (as defined below)) to be published.

This Announcement is directed only at: (a) persons in member states of the European Economic Area who are qualified investors within the meaning of article 2(1)(e) of EU Directive 2003/71/EC and amendments thereto (the “Prospectus Directive”) (“Qualified Investors”) and (b) if in the United Kingdom, persons who also (i) have professional experience in matters relating to investments who fall within the definition of “investment professionals” in article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “Order”), or are high net worth companies, unincorporated associations or partnerships or trustees of high value trusts as described in article 49(2) of the Order and (ii) are “qualified investors” as defined in section 86 of the Financial Services and Markets Act 2000 (as amended) (the “FSMA”); and (f) otherwise, to persons to whom it may otherwise be lawful to communicate it (all such persons together being referenced to as “relevant persons”). Any investment in connection with the Placing will only be available to, and will only be engaged with, relevant persons. Any person who is not a relevant person should not act or rely on this Announcement or any of its contents.

This announcement is not being distributed by, nor has it been approved for the purposes of section 21 of the Financial Services and Markets Act 2000 (“FSMA”) by, a person authorised under FSMA. This announcement is being distributed and communicated to persons in the UK only in circumstances in which section 21(1) of FSMA does not apply.

FinnCap Ltd, which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting as Nominated Adviser, broker and sole bookrunner to the Company in connection with the Placing and no one else and will not be responsible to anyone other than the Company for providing the protections afforded to clients of finnCap nor for providing advice in relation to the Placing and/or any other matter referred to in this Announcement. Apart from the responsibilities and liabilities, if any, which may be imposed on finnCap by the FSMA or by the regulatory regime established under it, and except in the event of their committing fraud, neither finnCap nor any of its respective affiliates accepts any responsibility whatsoever for the accuracy, completeness or sufficiency of the information contained in this Announcement or for any other statement made or purported to be made by or on behalf of finnCap or any of its respective affiliates in connection with the Company, the Ordinary Shares or the Placing. finnCap and each of its respective affiliates accordingly disclaim all and any liability, whether arising in tort, contract or otherwise (save as referred to above) in respect of any statements or other information contained in this Announcement.

The distribution of this Announcement and the offering of the Ordinary Shares in certain jurisdictions may be restricted by law. No action has been taken by the Company or finnCap that would permit an offering of such shares or possession or distribution of this Announcement or any other offering or publicity material relating to such shares in any jurisdiction where action for that purpose is required. Persons into whose possession this Announcement comes are required by the Company and finnCap to inform themselves about, and to observe, such restrictions.

The information in this Announcement may not be forwarded or distributed to any other person and may not be reproduced in any manner whatsoever. Any forwarding, distribution, reproduction, or disclosure of this information in whole or in part is unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions.

This Announcement contains (or may contain) certain forward-looking statements with respect to certain of the Company’s current expectations and projections about future events. These statements, which sometimes

use words such as “aim”, “anticipate”, “believe”, “intend”, “plan” “estimate”, “expect” and words of similar meaning, reflect the directors’ beliefs and expectations and involve a number of risks, uncertainties and assumptions that could cause actual results and performance to differ materially from any expected future results or performance expressed or implied by the forward-looking statement. Statements contained in this Announcement regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. The information contained in this Announcement is subject to change without notice and, except as required by applicable law or regulation, neither the Company nor finnCap nor their respective affiliates assume any responsibility or obligation to update publicly or review any of the forward-looking statements contained herein. You should not place undue reliance on forward-looking statements, which speak only as of the date of this Announcement.

No statement in this Announcement is or is intended to be a profit forecast or profit estimate or to imply that the earnings of the Company for the current or future financial years will necessarily match or exceed the historical or published earnings of the Company. The price of shares and the income from them may go down as well as up and investors may not get back the full amount invested on disposal of the shares.

The Ordinary Shares to be issued pursuant to the Placing will not be admitted to trading on any stock exchange other than the AIM market of the London Stock Exchange.

Neither the content of the Company’s website nor any website accessible by hyperlinks on the Company’s website is incorporated in, or forms part of, this Announcement.

This Announcement does not constitute a recommendation concerning any investor’s options with respect to the Placing. Any investment decision to buy Ordinary Shares in the Placing must be made solely on the basis of publicly available information, which has not been independently verified by finnCap. Each investor or prospective investor should conduct his, her or its own investigation, analysis and evaluation of the business and data described in this Announcement. The price and value of securities can go down as well as up. Past performance is not a guide to future performance. The contents of this Announcement are not to be construed as legal, business, financial or tax advice. Each investor or prospective investor should consult his, her or its own legal adviser, business adviser, financial adviser or tax adviser for legal, financial, business or tax advice.

## APPENDIX - TERMS AND CONDITIONS OF THE PLACING

IMPORTANT INFORMATION FOR INVITED PLACEES ONLY REGARDING THE PLACING.

MEMBERS OF THE PUBLIC ARE NOT ELIGIBLE TO TAKE PART IN THE PLACING. THIS ANNOUNCEMENT (INCLUDING THIS APPENDIX) AND THE TERMS AND CONDITIONS SET OUT HEREIN (TOGETHER, THIS "**ANNOUNCEMENT**") ARE DIRECTED ONLY AT PERSONS WHOSE ORDINARY ACTIVITIES INVOLVE THEM IN ACQUIRING, HOLDING, MANAGING AND DISPOSING OF INVESTMENTS (AS PRINCIPAL OR AGENT) FOR THE PURPOSES OF THEIR BUSINESS AND WHO HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS AND ARE: (1) IF IN A MEMBER STATE OF THE EUROPEAN ECONOMIC AREA ("**EEA**"), QUALIFIED INVESTORS AS DEFINED IN ARTICLE 2(1)(e) OF DIRECTIVE 2003/71/EC AS AMENDED, INCLUDING BY THE 2010 PROSPECTUS DIRECTIVE AMENDING DIRECTIVE (DIRECTIVE 2010/73/EC) AND TO THE EXTENT IMPLEMENTED IN THE RELEVANT MEMBER STATE (THE "**PROSPECTUS DIRECTIVE**"); (2) IF IN THE UNITED KINGDOM, QUALIFIED INVESTORS WHO (A) FALL WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005, AS AMENDED (THE "**ORDER**") (INVESTMENT PROFESSIONALS) OR (B) FALL WITHIN ARTICLE 49(2)(a) TO (d) (HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS, ETC.) OF THE ORDER (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS "**RELEVANT PERSONS**").

THIS ANNOUNCEMENT AND THE INFORMATION IN IT MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. PERSONS DISTRIBUTING THIS ANNOUNCEMENT MUST SATISFY THEMSELVES THAT IT IS LAWFUL TO DO SO. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS ANNOUNCEMENT RELATES IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS. THIS ANNOUNCEMENT DOES NOT ITSELF CONSTITUTE AN OFFER FOR SALE OR SUBSCRIPTION OF ANY SECURITIES IN SRT MARINE SYSTEMS PLC (THE "COMPANY").

THE PLACING SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR JURISDICTION OF THE UNITED STATES, AND MAY NOT BE OFFERED, SOLD OR TRANSFERRED, DIRECTLY OR INDIRECTLY, IN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN COMPLIANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. THE PLACING SHARES ARE BEING OFFERED AND SOLD ONLY OUTSIDE THE UNITED STATES IN "**OFFSHORE TRANSACTIONS**" WITHIN THE MEANING OF, AND IN ACCORDANCE WITH, REGULATION S UNDER THE SECURITIES ACT AND OTHERWISE IN ACCORDANCE WITH APPLICABLE LAWS. NO PUBLIC OFFERING OF THE PLACING SHARES IS BEING MADE IN THE UNITED STATES OR ELSEWHERE.

THIS ANNOUNCEMENT (INCLUDING THIS APPENDIX) AND THE INFORMATION CONTAINED HEREIN IS RESTRICTED AND IS NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN OR INTO OR FROM THE UNITED STATES, AUSTRALIA, CANADA, JAPAN, THE REPUBLIC OF SOUTH AFRICA OR ANY OTHER JURISDICTION IN WHICH SUCH RELEASE, PUBLICATION OR DISTRIBUTION WOULD BE UNLAWFUL.

The distribution of this Announcement and/or the Placing and/or issue of the Placing Shares in certain jurisdictions may be restricted by law. No action has been taken by the Company, finnCap or any of their respective affiliates, agents, directors, officers or employees that would permit an offer of the Placing Shares or possession or distribution of this Announcement or any other offering or publicity material relating to such Placing Shares in any jurisdiction where action for that purpose is required. Persons into whose possession this Announcement comes are required by the Company and finnCap to inform themselves about and to observe any such restrictions.

This Announcement or any part of it does not constitute or form part of any offer to issue or sell, or the solicitation of an offer to acquire, purchase or subscribe for, any securities in the United States (including its territories and possessions, any state of the United States and the District of Columbia), Australia, Canada, Japan or the Republic of South Africa or any other jurisdiction in which the same would be unlawful. No public offering of the Placing Shares is being made in any such jurisdiction.

All offers of the Placing Shares will be made pursuant to an exemption under the Prospectus Directive from the requirement to produce a prospectus. In the United Kingdom, this Announcement is being directed solely at

persons in circumstances in which section 21(1) of the Financial Services and Markets Act 2000 (as amended) (the "FSMA") does not apply.

The Placing Shares have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission or other regulatory authority in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the Placing or the accuracy or adequacy of this Announcement. Any representation to the contrary is a criminal offence in the United States. The relevant clearances have not been, nor will they be, obtained from the securities commission of any province or territory of Canada, no prospectus has been lodged with, or registered by, the Australian Securities and Investments Commission or the Japanese Ministry of Finance; the relevant clearances have not been, and will not be, obtained for the South Africa Reserve Bank or any other applicable body in the Republic of South Africa in relation to the Placing Shares and the Placing Shares have not been, nor will they be, registered under or offering in compliance with the securities laws of any state, province or territory of Australia, Canada, Japan or the Republic of South Africa. Accordingly, the Placing Shares may not (unless an exemption under the relevant securities laws is applicable) be offered, sold, resold or delivered, directly or indirectly, in or into Australia, Canada, Japan or the Republic of South Africa or any other jurisdiction outside the United Kingdom.

Persons (including, without limitation, nominees and trustees) who have a contractual right or other legal obligations to forward a copy of this Announcement should seek appropriate advice before taking any action.

This Announcement should be read in its entirety. In particular, you should read and understand the information provided in the "**Important Notices**" section of this Announcement.

By participating in the Placing, each Placee will be deemed to have read and understood this Announcement in its entirety, to be participating, making an offer and acquiring Placing Shares on the terms and conditions contained herein and to be providing the representations, warranties, indemnities, acknowledgements and undertakings contained in this Announcement.

In particular, each such Placee represents, warrants, undertakes, agrees and acknowledges (amongst other things) that:

1. it is a Relevant Person and undertakes that it will acquire, hold, manage or dispose of any Placing Shares that are allocated to it for the purposes of its business; and
2. in the case of a Relevant Person in a member state of the EEA which has implemented the Prospectus Directive (each, a "**Relevant Member State**") who acquires any Placing Shares pursuant to the Placing:
  - (a) it is a Qualified Investor within the meaning of Article 2(1)(e) of the Prospectus Directive; and
  - (b) in the case of any Placing Shares acquired by it as a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive:
    - (i) ***the Placing Shares acquired by it in the Placing have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than Qualified Investors or in circumstances in which the prior consent of finnCap has been given to the offer or resale; or***
    - (ii) ***where Placing Shares have been acquired by it on behalf of persons in any Relevant Member State other than Qualified Investors, the offer of those Placing Shares to it is not treated under the Prospectus Directive as having been made to such persons; and***
3. it is acquiring the Placing Shares for its own account or is acquiring the Placing Shares for an account with respect to which it exercises sole investment discretion and has the authority to make and does make the representations, warranties, indemnities, acknowledgements, undertakings and agreements contained in this Announcement; and
4. it understands (or if acting for the account of another person, such person has confirmed that such person understands) the resale and transfer restrictions set out in this Appendix; and



5. except as otherwise permitted by the Company and subject to any available exemptions from applicable securities laws, it (and any account referred to in paragraph 3 above) is outside the United States and is acquiring the Placing Shares in offshore transactions as defined in and in accordance with Regulation S under the Securities Act.

### **No prospectus**

The Placing Shares are being offered to a limited number of specifically invited persons only and will not be offered in such a way as to require any prospectus or other offering document to be published. No prospectus or other offering document has been or will be submitted to be approved by the FCA in relation to the Placing or the Placing Shares and Placees' commitments will be made solely on the basis of the information contained in this Announcement and any information publicly announced through a Regulatory Information Service (as defined in the AIM Rules for Companies (the "**AIM Rules**")) by or on behalf of the Company on or prior to the date of this Announcement (the "**Publicly Available Information**") and subject to any further terms set forth in the contract note to be sent to individual Placees.

Each Placee, by participating in the Placing, agrees that the content of this Announcement is exclusively the responsibility of the Company and confirms that it has neither received nor relied on any information (other than the Publicly Available Information), representation, warranty or statement made by or on behalf of finnCap or the Company or any other person and none of finnCap, the Company nor any other person acting on such person's behalf nor any of their respective affiliates has or shall have any liability for any Placee's decision to participate in the Placing based on any other information, representation, warranty or statement. Each Placee acknowledges and agrees that it has relied on its own investigation of the business, financial or other position of the Company in accepting a participation in the Placing. No Placee should consider any information in the Publicly Available Information to be legal, tax or business advice. Nothing in this paragraph shall exclude the liability of any person for fraudulent misrepresentation.

### **Details of the Placing Agreement and the Placing Shares**

finnCap has today entered into a placing agreement (the "**Placing Agreement**") with the Company under which, on the terms and subject to the conditions set out in the Placing Agreement, finnCap, as agent for and on behalf of the Company, has agreed to use its reasonable endeavors to procure Placees for the Placing Shares.

The Placing Shares will, when issued, be subject to the articles of association of the Company and credited as fully paid and will rank *pari passu* in all respects with the issued ordinary shares of 0.1 pence each in the capital of the Company, including the right to receive all dividends and other distributions declared, made or paid in respect of such Ordinary Shares after the date of issue of the Placing Shares.

### **Application for admission to trading**

Application has been made to the London Stock Exchange for admission of the Placing Shares to trading on AIM.

It is expected that Admission will take place on or before 8.00 a.m. on 4 June 2018 and that dealings in the Placing Shares on AIM will commence at the same time.

Principal terms of the Placing:

1. finnCap is acting as agent to the Company in connection with the Placing.
2. Participation in the Placing will only be available to persons who may lawfully be, and are, invited by finnCap to participate. finnCap and any of its affiliates are entitled to participate in the Placing as principal.
3. The price per Placing Share (the "**Placing Price**") is fixed at 25 pence and is payable to finnCap (as agent for the Company) by all Placees.

4. Each Placee's allocation of Placing Shares will be determined by finnCap in its discretion following consultation with the Company and will be confirmed orally by finnCap.
5. Each Placee's allocation and commitment will be evidenced by a contract note issued to such Placee by finnCap. The terms of this Appendix will be deemed incorporated in that contract note.
6. Each Placee's allocation and commitment to subscribe for Placing Shares will be made on the terms and subject to the conditions in this Appendix and will be legally binding on the Placee on behalf of which it is made and except with finnCap's consent will not be capable of variation or revocation after the time at which it is submitted. Each Placee will have an immediate, separate, irrevocable and binding obligation, owed to finnCap (as agent for the Company), to pay to it (or as it may direct) in cleared funds an amount equal to the product of the Placing Price and the number of Placing Shares such Placee has agreed to acquire and the Company has agreed to allot and issue to that Placee.
7. Except as required by law or regulation, no press release or other announcement will be made by finnCap or the Company using the name of any Placee (or its agent), in its capacity as Placee (or agent), other than with such Placee's prior written consent.
8. Irrespective of the time at which a Placee's allocation(s) pursuant to the Placing is/are confirmed, settlement for all Placing Shares to be acquired pursuant to the Placing will be required to be made at the same time, on the basis explained below under "Registration and Settlement".
9. All obligations under the Placing will be subject to fulfilment of the conditions referred to below under "Conditions of the Placing" and to the Placing not being terminated on the basis referred to below under "**Termination of the Placing**".
10. By participating in the Placing, each Placee will agree that its rights and obligations in respect of the Placing will terminate only in the circumstances described below and will not be capable of rescission or termination by the Placee.
11. To the fullest extent permissible by law and applicable FCA rules, neither:
  - (a) finnCap;
  - (b) any of its affiliates, agents, directors, officers, consultants or employees; nor
  - (c) to the extent not contained within (a) or (b), any person connected with finnCap as defined in the FSMA ((b) and (c) being together "**affiliates**" and individually an "**affiliate**" of finnCap);

shall have any liability (including to the extent permissible by law, any fiduciary duties) to Placees or to any other person whether acting on behalf of a Placee or otherwise. In particular, neither finnCap nor any of its affiliates shall have any liability (including, to the extent permissible by law, any fiduciary duties) in respect of finnCap's conduct of the Placing or of such alternative method of effecting the Placing as finnCap and the Company may agree.

#### **Registration and settlement**

If Placees are allocated any Placing Shares in the Placing they will be sent a contract note or electronic confirmation which will confirm the number of Placing Shares allocated to them, the Placing Price and the aggregate amount owed by them to finnCap.

Each Placee will be deemed to agree that it will do all things necessary to ensure that delivery and payment is completed as directed by finnCap in accordance with either the standing CREST or certificated settlement instructions which they have in place with finnCap.

Settlement of transactions in the Placing Shares (ISIN: GB00B0M8KM36) following Admission will take place within the CREST system, subject to certain exceptions. Settlement through CREST will be on a T+2 basis unless otherwise notified by finnCap and is expected to occur on 4 June 2018 (the "**Settlement Date**") in accordance with the contract notes. Settlement will be on a delivery versus payment basis. However, in the event of any

difficulties or delays in the admission of the Placing Shares to CREST or the use of CREST in relation to the Placing, the Company and finnCap may agree that the Placing Shares should be issued in certificated form. finnCap reserves the right to require settlement for the Placing Shares, and to deliver the Placing Shares to Placees, by such other means as it deems necessary if delivery or settlement to Placees is not practicable within the CREST system or would not be consistent with regulatory requirements in a Placee's jurisdiction. If a Placee wishes to receive its Placing Shares in certificated form, it should contact Carly Cella at finnCap on 0207 220 0505 as soon as possible after receipt of its contract note.

Interest is chargeable daily on payments not received from Placees on the due date in accordance with the arrangements set out above, in respect of either CREST or certificated deliveries, at the rate of 2 percentage points above the prevailing base rate of Barclays Bank plc as determined by finnCap.

Each Placee is deemed to agree that if it does not comply with these obligations, finnCap may sell any or all of their Placing Shares on their behalf and retain from the proceeds, for finnCap's own account and benefit, an amount equal to the aggregate amount owed by the Placee plus any interest due. The relevant Placee will, however, remain liable for any shortfall below the Placing Price and for any stamp duty or stamp duty reserve tax (together with any interest or penalties) which may arise upon the sale of its Placing Shares on its behalf.

If Placing Shares are to be delivered to a custodian or settlement agent, Placees must ensure that, upon receipt, the conditional contract note is copied and delivered immediately to the relevant person within that organisation. Insofar as Placing Shares are registered in a Placee's name or that of its nominee or in the name of any person for whom a Placee is contracting as agent or that of a nominee for such person, such Placing Shares should, subject as provided below, be so registered free from any liability to United Kingdom stamp duty or stamp duty reserve tax. Placees will not be entitled to receive any fee or commission in connection with the Placing.

#### **Conditions of the Placing**

The obligations of finnCap under the Placing Agreement are, and the Placing is, conditional upon, *inter alia*:

- (a) the Company complying with its obligations under the Placing Agreement to the extent that they fall to be performed on or before Admission;
- (b) the Company having allotted, subject only to Admission, the Placing Shares in accordance with the Placing Agreement; and
- (c) Admission having become effective at or before 8.00 a.m. on 4 June 2018 or such later time as finnCap may agree with the Company (being not later than 18 June 2018).

(all conditions to the obligations of finnCap included in the Placing Agreement being together, the "**conditions**").

If any of the conditions set out in the Placing Agreement is not fulfilled or, where permitted, waived in accordance with the Placing Agreement within the stated time periods (or such later time and/or date as the Company and finnCap may agree), or the Placing Agreement is terminated in accordance with its terms, the Placing will lapse and the Placee's rights and obligations shall cease and terminate at such time and each Placee agrees that no claim can be made by or on behalf of the Placee (or any person on whose behalf the Placee is acting) in respect thereof.

By participating in the Placing, each Placee agrees that its rights and obligations cease and terminate only in the circumstances described above and under "Termination of the Placing" below and will not be capable of rescission or termination by it.

finnCap may, in its absolute discretion and upon such terms as it thinks fit, waive fulfilment of all or any of the conditions in the Placing Agreement in whole or in part, or extend the time provided for fulfilment of one or more conditions. Any such extension or waiver will not affect Placees' commitments as set out in this Appendix.

finnCap may terminate the Placing Agreement in certain circumstances, details of which are set out below.

Neither finnCap nor any of its affiliates, agents, directors, officers or employees nor the Company shall have any liability to any Placee (or to any other person whether acting on behalf of a Placee or otherwise) in respect of any decision any of them may make as to whether or not to waive or to extend the time and/or date for the satisfaction of any condition to the Placing nor for any decision any of them may make as to the satisfaction of any condition or in respect of the Placing generally and by participating in the Placing each Placee agrees that any such decision is within the absolute discretion of finnCap.

### **Termination of the Placing**

finnCap may, in its absolute discretion, by notice to the Company, terminate the Placing Agreement at any time up to Admission if, *inter alia*:

- (a) the Company fails to comply with any of its obligations under the Placing Agreement;
- (b) it comes to the notice of finnCap that any statement contained in this Announcement or any other document or announcement issued or published by or on behalf of the Company in connection with the Placing was or has become untrue, incorrect or misleading in any respect which finnCap (acting in good faith) considers to be material in the context of the Placing;
- (c) it comes to the notice of finnCap that any of the warranties was not true and accurate by reference to the facts or circumstances subsisting at that time in any respect which finnCap (acting in good faith) considers to be material in the context of the Placing or a matter has arisen which is likely to give rise to a claim under any of the indemnities under the Placing Agreement which finnCap (acting in good faith) considers to be material in the context of the Placing.

In addition, finnCap may by notice in writing to the Company prior to Admission terminate the Placing Agreement if there has been a force majeure event.

By participating in the Placing, each Placee agrees with the Company and finnCap that the exercise by the Company or finnCap of any right of termination or any other right or other discretion under the Placing Agreement shall be within the absolute discretion of the Company or finnCap or for agreement between the Company and finnCap (as the case may be) and that neither the Company nor finnCap need make any reference to such Placee and that none of the Company, finnCap nor any of their respective affiliates, agents, directors, officers or employees shall have any liability to such Placee (or to any other person whether acting on behalf of a Placee or otherwise) whatsoever in connection with any such exercise.

By participating in the Placing, each Placee agrees that its rights and obligations terminate only in the circumstances described above and under the "**Conditions of the Placing**" section above and will not be capable of rescission or termination by it after the issue by finnCap of a contract note confirming each Placee's allocation and commitment in the Placing.

### **Representations, warranties and further terms**

By participating in the Placing, each Placee (and any person acting on such Placee's behalf) represents, warrants, acknowledges and agrees (for itself and for any such prospective Placee) that (save where finnCap expressly agrees in writing to the contrary):

1. it has read and understood this Announcement in its entirety and that its subscription for the Placing Shares is subject to and based upon all the terms, conditions, representations, warranties, indemnities, acknowledgements, agreements and undertakings and other information contained herein and that it has not relied on, and will not rely on, any information given or any representations, warranties or statements made at any time by any person in connection with Admission, the Placing, the Company, the Placing Shares or otherwise, other than the information contained in this Announcement and the Publicly Available Information;
2. it has not received a prospectus or other offering document in connection with the Placing and acknowledges that no prospectus or other offering document:
  - (a) is required under the Prospectus Directive; and

- (b) has been or will be prepared in connection with the Placing;
3. the Ordinary Shares are admitted to trading on AIM, and that the Company is therefore required to publish certain business and financial information in accordance with the AIM Rules, which includes a description of the nature of the Company's business and the Company's most recent balance sheet and profit and loss account and that it is able to obtain or access such information without undue difficulty, and is able to obtain access to such information or comparable information concerning any other publicly traded company, without undue difficulty;
  4. it has made its own assessment of the Placing Shares and has relied on its own investigation of the business, financial or other position of the Company in accepting a participation in the Placing and neither finnCap nor the Company nor any of their respective affiliates, agents, directors, officers or employees nor any person acting on behalf of any of them has provided, and will not provide, it with any material regarding the Placing Shares or the Company or any other person other than the information in this Announcement or the Publicly Available Information; nor has it requested finnCap, the Company, any of their respective affiliates, agents, directors, employees or officers or any person acting on behalf of any of them to provide it with any such information;
  5. neither finnCap nor any person acting on behalf of it nor any of its affiliates, agents, directors, officers or employees has or shall have any liability for any Publicly Available Information, or any representation relating to the Company, provided that nothing in this paragraph excludes the liability of any person for fraudulent misrepresentation made by that person;
  6. the only information on which it is entitled to rely on and on which it has relied in committing to subscribe for the Placing Shares is contained in the Publicly Available Information, such information being all that it deems necessary to make an investment decision in respect of the Placing Shares and it has made its own assessment of the Company, the Placing Shares and the terms of the Placing based on the Publicly Available Information;
  7. neither finnCap, nor the Company (nor any of their respective affiliates, agents, directors, officers and employees) have made any representation or warranty to it, express or implied, with respect to the Company, the Placing or the Placing Shares or the accuracy, completeness or adequacy of the Publicly Available Information;
  8. it has conducted its own investigation of the Company, the Placing and the Placing Shares, satisfied itself that the information is still current and relied on that investigation for the purposes of its decision to participate in the Placing; and
  9. it has not relied on any investigation that finnCap or any person acting on its behalf may have conducted with respect to the Company, the Placing or the Placing Shares;
  10. the content of this Announcement and the Publicly Available Information has been prepared by and is exclusively the responsibility of the Company and that neither finnCap nor any persons acting on its behalf is responsible for or has or shall have any liability for any information, representation, warranty or statement relating to the Company contained in this Announcement or the Publicly Available Information nor will they be liable for any Placee's decision to participate in the Placing based on any information, representation, warranty or statement contained in this Announcement, the Publicly Available Information or otherwise. Nothing in this Appendix shall exclude any liability of any person for fraudulent misrepresentation;
  11. it is not, and at the time the Placing Shares are acquired will not be, a resident of Australia, Canada, the Republic of South Africa or Japan;
  12. the Placing Shares have not been registered or otherwise qualified, and will not be registered or otherwise qualified, for offer and sale nor will a prospectus be cleared or approved in respect of any of the Placing Shares under the securities laws of the United States, or any state or other jurisdiction of the United States, Australia, Canada, the Republic of South Africa or Japan and, subject to certain exceptions, may not be offered, sold, taken up, renounced or delivered or transferred, directly or

- indirectly, within the United States, Australia, Canada, Japan or the Republic of South Africa or in any country or jurisdiction where any such action for that purpose is required;
13. it has the funds available to pay for the Placing Shares for which it has agreed to subscribe and acknowledges and agrees that it will pay the total subscription amount in accordance with the terms of this Announcement on the due time and date set out herein, failing which the relevant Placing Shares may be placed with other Placees or sold at such price as finnCap determines;
  14. it and/or each person on whose behalf it is participating:
    - (a) is entitled to acquire Placing Shares pursuant to the Placing under the laws and regulations of all relevant jurisdictions;
    - (b) has fully observed such laws and regulations;
    - (c) has capacity and authority and is entitled to enter into and perform its obligations as an acquirer of Placing Shares and will honour such obligations; and
    - (d) has obtained all necessary consents and authorities (including, without limitation, in the case of a person acting on behalf of a Placee, all necessary consents and authorities to agree to the terms set out or referred to in this Appendix) under those laws or otherwise and complied with all necessary formalities to enable it to enter into the transactions contemplated hereby and to perform its obligations in relation thereto and, in particular, if it is a pension fund or investment company it is aware of and acknowledges it is required to comply with all applicable laws and regulations with respect to its subscription for Placing Shares;
  15. it is not, and any person who it is acting on behalf of is not, and at the time the Placing Shares are subscribed will not be, a resident of, or with an address in, or subject to the laws of, Australia, Canada, Japan or the Republic of South Africa, and it acknowledges and agrees that the Placing Shares have not been and will not be registered or otherwise qualified under the securities legislation of Australia, Canada, Japan or the Republic of South Africa and may not be offered, sold, or acquired, directly or indirectly, within those jurisdictions;
  16. it and the beneficial owner of the Placing Shares is, and at the time the Placing Shares are acquired will be, outside the United States and acquiring the Placing Shares in an "**offshore transaction**" as defined in, and in accordance with, Regulation S under the Securities Act;
  17. it understands that the Placing Shares have not been, and will not be, registered under the Securities Act and may not be offered, sold or resold in or into or from the United States except pursuant to an effective registration under the Securities Act, or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in accordance with applicable state securities laws; and no representation is being made as to the availability of any exemption under the Securities Act for the reoffer, resale, pledge or transfer of the Placing Shares;
  18. it (and any account for which it is purchasing) is not acquiring the Placing Shares with a view to any offer, sale or distribution thereof within the meaning of the Securities Act;
  19. it understands that:
    - (a) the Placing Shares are "**restricted securities**" within the meaning of Rule 144(a)(3) under the Securities Act;
    - (b) no representation is made as to the availability of the exemption provided by Rule 144 for resales of Placing Shares; and
    - (c) it will not deposit the Placing Shares in a depositary receipt programme in the United States or for US persons (as defined in the Securities Act);
  20. it will not offer, sell, transfer, pledge or otherwise dispose of any Placing Shares except:

- (a) in an offshore transaction in accordance with Rules 903 or 904 of Regulation S under the Securities Act; or
- (b) pursuant to another exemption from registration under the Securities Act, if available,

and in each case in accordance with all applicable securities laws of the states of the United States and other jurisdictions;

21. it understands that the Placing Shares are expected to be issued to it through CREST but may be issued to it in certificated, definitive form and acknowledges and agrees that the Placing Shares may, to the extent they are delivered in certificated form, bear a legend to the following effect unless agreed otherwise with the Company:

"THESE SECURITIES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR UNDER THE APPLICABLE SECURITIES LAWS OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES, AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (A) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (B) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT OR (C) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND, IN EACH CASE, IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FOREGOING, THE SHARES MAY NOT BE DEPOSITED INTO ANY UNRESTRICTED DEPOSITARY RECEIPT FACILITY IN RESPECT OF SHARES ESTABLISHED OR MAINTAINED BY A DEPOSITARY BANK. EACH HOLDER, BY ITS ACCEPTANCE OF THESE SHARES, REPRESENTS THAT IT UNDERSTANDS AND AGREES TO THE FOREGOING RESTRICTIONS";

22. it will not distribute, forward, transfer or otherwise transmit this Announcement or any part of it, or any other presentational or other materials concerning the Placing in or into or from the United States (including electronic copies thereof) to any person, and it has not distributed, forwarded, transferred or otherwise transmitted any such materials to any person;
23. none of finnCap, its affiliates and any person acting on behalf of any of them is making any recommendations to it or advising it regarding the suitability of any transactions it may enter into in connection with the Placing and that participation in the Placing is on the basis that it is not and will not be a client of finnCap and that finnCap has no duties or responsibilities to it for providing the protections afforded to its clients or for providing advice in relation to the Placing nor in respect of any representations, warranties, undertakings or indemnities contained in the Placing Agreement nor for the exercise or performance of any of its rights and obligations thereunder including any rights to waive or vary any conditions or exercise any termination right;
24. it will make payment to finnCap for the Placing Shares allocated to it in accordance with the terms and conditions of this Announcement on the due times and dates set out in this Announcement, failing which the relevant Placing Shares may be placed with others on such terms as finnCap determines in its absolute discretion without liability to the Placee and it will remain liable for any shortfall below the net proceeds of such sale and the placing proceeds of such Placing Shares and may be required to bear any stamp duty or stamp duty reserve tax (together with any interest or penalties due pursuant to the terms set out or referred to in this Announcement) which may arise upon the sale of such Placee's Placing Shares on its behalf;
25. its allocation (if any) of Placing Shares will represent a maximum number of Placing Shares which it will be entitled, and required, to subscribe for, and that the Company may call upon it to subscribe for a lower number of Placing Shares (if any), but in no event in aggregate more than the aforementioned maximum;

26. no action has been or will be taken by any of the Company, finnCap or any person acting on behalf of the Company or finnCap that would, or is intended to, permit a public offer of the Placing Shares in the United States or in any country or jurisdiction where any such action for that purpose is required;
27. the person who it specifies for registration as holder of the Placing Shares will be:
  - (a) the Placee; or
  - (b) a nominee of the Placee, as the case may be.
28. finnCap and the Company will not be responsible for any liability to stamp duty or stamp duty reserve tax resulting from a failure to observe this requirement. Each Placee and any person acting on behalf of such Placee agrees to subscribe for Placing Shares pursuant to the Placing and agrees to indemnify the Company and finnCap in respect of the same on the basis that the Placing Shares will be allotted to a CREST stock account of finnCap or transferred to a CREST stock account of finnCap who will hold them as nominee on behalf of the Placee until settlement in accordance with its standing settlement instructions with it;
29. the allocation, allotment, issue and delivery to it, or the person specified by it for registration as holder, of Placing Shares will not give rise to a stamp duty or stamp duty reserve tax liability under (or at a rate determined under) any of sections 67, 70, 93 or 96 of the Finance Act 1986 (depository receipts and clearance services) and that it is not participating in the Placing as nominee or agent for any person or persons to whom the allocation, allotment, issue or delivery of Placing Shares would give rise to such a liability;
30. it and any person acting on its behalf (if within the United Kingdom) falls within Article 19(5) and/or 49(2) of the Order and undertakes that it will acquire, hold, manage and (if applicable) dispose of any Placing Shares that are allocated to it for the purposes of its business only;
31. it has not offered or sold and will not offer or sell any Placing Shares to persons in the United Kingdom or elsewhere in the EEA prior to the expiry of a period of six months from Admission except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their business or otherwise in circumstances which have not resulted and which will not result in an offer to the public in the United Kingdom within the meaning of section 85(1) of the FSMA or an offer to the public in any other member state of the EEA within the meaning of the Prospectus Directive;
32. if it is within the EEA, it is a Qualified Investor as defined in section 86(7) of the FSMA, being a person falling within Article 2(1)(e) of the Prospectus Directive;
33. it has only communicated or caused to be communicated and it will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) relating to Placing Shares in circumstances in which section 21(1) of the FSMA does not require approval of the communication by an authorised person and it acknowledges and agrees that this Announcement has not been approved by finnCap in its capacity as an authorised person under section 21 of the FSMA and it may not therefore be subject to the controls which would apply if it was made or approved as financial promotion by an authorised person;
34. it has complied and it will comply with all applicable laws with respect to anything done by it or on its behalf in relation to the Placing Shares (including all relevant provisions of the FSMA in respect of anything done in, from or otherwise involving the United Kingdom);
35. it represents and warrants that, if it is a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive (including any relevant implementing measure in any member state), the Placing Shares acquired by it in the Placing will not be acquired on a non-discretionary basis on behalf of, nor will they be acquired with a view to their offer or resale to, persons in a member state of the EEA which has implemented the Prospectus Directive other than Qualified Investors, or in circumstances in which the express prior written consent of finnCap has been given to the offer or resale;



36. if it has received any confidential price sensitive information about the Company in advance of the Placing, it has not:
- (a) dealt in the securities of the Company;
  - (b) encouraged or required another person to deal in the securities of the Company; or
  - (c) disclosed such information to any person, prior to the information being made publicly available;
37. neither finnCap, the Company nor any of their respective affiliates, agents, directors, officers or employees nor any person acting on behalf of finnCap or its affiliates, agents, directors, officers or employees is making any recommendations to it, advising it regarding the suitability of any transactions it may enter into in connection with the Placing nor providing advice in relation to the Placing nor in respect of any representations, warranties, acknowledgements, agreements, undertakings, or indemnities contained in the Placing Agreement nor the exercise or performance of any of finnCap's rights and obligations thereunder including any rights to waive or vary any conditions or exercise any termination right;
38. finnCap and its affiliates, acting as an investor for its or their own account(s), may bid or subscribe for and/or purchase Placing Shares and, in that capacity, may retain, purchase, offer to sell or otherwise deal for its or their own account(s) in the Placing Shares, any other securities of the Company or other related investments in connection with the Placing or otherwise. Accordingly, references in this Announcement to the Placing Shares being offered, subscribed, acquired or otherwise dealt with should be read as including any offer to, or subscription, acquisition or dealing by, finnCap and/or any of its affiliates acting as an investor for its or their own account(s). Neither finnCap nor the Company intend to disclose the extent of any such investment or transaction otherwise than in accordance with any legal or regulatory obligation to do so;
39. it has complied with its obligations in connection with money laundering and terrorist financing under the Proceeds of Crime Act 2002, the Terrorism Act 2000, the Terrorism Act 2006 and the Money Laundering Regulations 2007 (together, the "**Regulations**") and, if making payment on behalf of a third party, that satisfactory evidence has been obtained and recorded by it to verify the identity of the third party as required by the Regulations;
40. in order to ensure compliance with the Regulations, finnCap (for itself and as agent on behalf of the Company) or the Company's registrars may, in their absolute discretion, require verification of its identity. Pending the provision to finnCap or the Company's registrars, as applicable, of evidence of identity, definitive certificates in respect of the Placing Shares may be retained at finnCap's absolute discretion or, where appropriate, delivery of the Placing Shares to it in uncertificated form may be delayed at finnCap's or the Company's registrars', as the case may be, absolute discretion. If within a reasonable time after a request for verification of identity finnCap (for itself and as agent on behalf of the Company) or the Company's registrars have not received evidence satisfactory to them, either finnCap and/or the Company may, at its absolute discretion, terminate its commitment in respect of the Placing, in which event the monies payable on acceptance of allotment will, if already paid, be returned without interest to the account of the drawee's bank from which they were originally debited;
41. it acknowledges that its commitment to acquire Placing Shares on the terms set out in this Announcement and in the contract note will continue notwithstanding any amendment that may in future be made to the terms and conditions of the Placing and that Placees will have no right to be consulted or require that their consent be obtained with respect to the Company's or finnCap's conduct of the Placing;
42. it has knowledge and experience in financial, business and international investment matters as is required to evaluate the merits and risks of subscribing for the Placing Shares. It further acknowledges that it is experienced in investing in securities of this nature and is aware that it may be required to bear, and is able to bear, the economic risk of, and is able to sustain, a complete loss in connection

with the Placing. It has relied upon its own examination and due diligence of the Company and its affiliates taken as a whole, and the terms of the Placing, including the merits and risks involved;

43. it irrevocably appoints any duly authorised officer of finnCap as its agent for the purpose of executing and delivering to the Company and/or its registrars any documents on its behalf necessary to enable it to be registered as the holder of any of the Placing Shares for which it agrees to subscribe for upon the terms of this Announcement;
44. the Company, finnCap and others (including each of their respective affiliates, agents, directors, officers and employees) will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements, which are given to finnCap on its own behalf and on behalf of the Company and are irrevocable;
45. if it is acquiring the Placing Shares as a fiduciary or agent for one or more investor accounts, it has full power and authority to make, and does make, the foregoing representations, warranties, acknowledgements, agreements and undertakings on behalf of each such accounts;
46. time is of the essence as regards its obligations under this Appendix;
47. any document that is to be sent to it in connection with the Placing will be sent at its risk and may be sent to it at any address provided by it to finnCap;
48. the Placing Shares will be issued subject to the terms and conditions of this Appendix and the articles of association of the Company; and
49. the terms and conditions contained in this Appendix and all documents into which this Appendix is incorporated by reference or otherwise validly forms a part and/or any agreements entered into pursuant to these terms and conditions and all agreements to acquire Placing Shares pursuant to the Placing will be governed by and construed in accordance with English law and it submits to the exclusive jurisdiction of the English courts in relation to any claim, dispute or matter arising out of such contract except that enforcement proceedings in respect of the obligation to make payment for the Placing Shares (together with interest chargeable thereon) may be taken by the Company or finnCap in any jurisdiction in which the relevant Placee is incorporated or in which any of its securities have a quotation on a recognised stock exchange.

By participating in the Placing, each Placee (and any person acting on such Placee's behalf) agrees to indemnify and hold the Company, finnCap and each of their respective affiliates, agents, directors, officers and employees harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the representations, warranties, acknowledgements, agreements and undertakings given by the Placee (and any person acting on such Placee's behalf) in this Appendix or incurred by finnCap, the Company or each of their respective affiliates, agents, directors, officers or employees arising from the performance of the Placee's obligations as set out in this Announcement, and further agrees that the provisions of this Appendix shall survive after the completion of the Placing.

The agreement to allot and issue Placing Shares to Placees (or the persons for whom Placees are contracting as agent) free of stamp duty and stamp duty reserve tax in the United Kingdom relates only to their allotment and issue to Placees, or such persons as they nominate as their agents, direct by the Company. Such agreement assumes that the Placing Shares are not being acquired in connection with arrangements to issue depositary receipts or to transfer the Placing Shares into a clearance service. If there are any such arrangements, or the settlement related to any other dealings in the Placing Shares, stamp duty or stamp duty reserve tax may be payable. In that event, the Placee agrees that it shall be responsible for such stamp duty or stamp duty reserve tax and neither the Company nor finnCap shall be responsible for such stamp duty or stamp duty reserve tax. If this is the case, each Placee should seek its own advice and they should notify finnCap accordingly. In addition, Placees should note that they will be liable for any capital duty, stamp duty and all other stamp, issue, securities, transfer, registration, documentary or other duties or taxes (including any interest, fines or penalties relating thereto) payable outside the United Kingdom by them or any other person on the acquisition by them of any Placing Shares or the agreement by them to acquire any Placing Shares and each Placee, or the Placee's nominee, in respect of whom (or in respect of the person for whom it is participating in the Placing as an agent

or nominee) the allocation, allotment, issue or delivery of Placing Shares has given rise to such non-United Kingdom stamp, registration, documentary, transfer or similar taxes or duties undertakes to pay such taxes and duties, including any interest and penalties (if applicable), forthwith and to indemnify on an after-tax basis and to hold harmless the Company and finnCap in the event that either the Company and/or finnCap have incurred any such liability to such taxes or duties.

The representations, warranties, acknowledgements and undertakings contained in this Appendix are given to finnCap for itself and on behalf of the Company and are irrevocable.

finnCap is authorised and regulated by the FCA in the United Kingdom and is acting exclusively for the Company and no one else in connection with the Placing, and finnCap will not be responsible to anyone (including any Placees) other than the Company for providing the protections afforded to its clients or for providing advice in relation to the Placing or any other matters referred to in this Announcement.

Each Placee and any person acting on behalf of the Placee acknowledges that finnCap does not owe any fiduciary or other duties to any Placee in respect of any representations, warranties, undertakings, acknowledgements, agreements or indemnities in the Placing Agreement.

Each Placee and any person acting on behalf of the Placee acknowledges and agrees that finnCap may (at its absolute discretion) satisfy its obligations to procure Placees by itself agreeing to become a Placee in respect of some or all of the Placing Shares or by nominating any connected or associated person to do so.

When a Placee or any person acting on behalf of the Placee is dealing with finnCap, any money held in an account with finnCap on behalf of the Placee and/or any person acting on behalf of the Placee will not be treated as client money within the meaning of the relevant rules and regulations of the FCA made under the FSMA. Each Placee acknowledges that the money will not be subject to the protections conferred by the client money rules: as a consequence this money will not be segregated from finnCap's money in accordance with the client money rules and will be held by it under a banking relationship and not as trustee.

References to time in this Announcement are to London time, unless otherwise stated.

All times and dates in this Announcement may be subject to amendment. Placees will be notified of any changes.

No statement in this Announcement is intended to be a profit forecast or estimate, and no statement in this Announcement should be interpreted to mean that earnings per share of the Company for the current or future financial years would necessarily match or exceed the historical published earnings per share of the Company.

The price of shares and any income expected from them may go down as well as up and investors may not get back the full amount invested upon disposal of the shares. Past performance is no guide to future performance, and persons needing advice should consult an independent financial adviser.

The Placing Shares to be issued pursuant to the Placing will not be admitted to trading on any stock exchange other than the London Stock Exchange.

Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this Announcement.