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**2 June 2016**

**EKF Diagnostics Holdings plc  
("EKF" or the "Company")**

**Proposed Placing**

EKF Diagnostics Holdings plc (AIM: EKF) announces, further to the Chairman's Annual General Meeting statement this morning, the proposed placing of up to 42,205,707 new ordinary shares of 1 penny each in the Company (the "**Placing Shares**") by way of an accelerated book build (the "**Placing**").

The book building process will be launched immediately following the release of this announcement (the "**Announcement**") and will be made available to new and existing eligible institutional investors. Certain of the Company's major shareholders as well as certain Directors have indicated a willingness to participate in the Placing.

Panmure Gordon (UK) Limited ("**Panmure Gordon**") is acting as Nominated Adviser and Corporate Broker to the Company in respect of the Placing.

**Underwriting**

The Placing will be underwritten by North Atlantic Smaller Companies Investment Trust PLC ("**NAIT**") and Oryx International Growth Fund Limited ("**Oryx**"). NAIT is directly interested in 48,650,000 existing ordinary shares of 1 penny each in the Company ("**Ordinary Shares**"), or 11.53 per cent., and Oryx is directly interested in 35,350,000 Ordinary Shares, or 8.38 per cent., of the Company.

Harwood Capital LLP ("**Harwood**") is investment manager and investment adviser to NAIT and Oryx respectively. Christopher Mills, the Company's Non-Executive Chairman, is a partner and Chief Investment Officer of Harwood. Christopher Mills is also a director of Oryx and NAIT. He holds 2.16 per cent. of the shares in Oryx in his own name as well as a further 46.44 per cent. of the shares in Oryx via his 25.06 per cent. shareholding in NAIT.

**Details of the Placing**

The Placing will be conducted in accordance with the terms and conditions set out in the Appendix.

The book building process to determine a price (the "**Placing Price**") is expected to close no later than 4.30 p.m. on 2 June 2016, but Panmure Gordon reserves the right to close the book earlier, without further notice.

The Placing Price and allocations will be determined by the Company and Panmure Gordon following the close of the book building process. A further announcement will then be made detailing the Placing Price. The Placing Shares will, when issued, be credited as fully paid and will rank equally in all respects with the Ordinary Shares of the Company.

As detailed in the Appendix, the Placing is conditional upon, *inter alia*, admission of the Placing Shares to trading on AIM becoming effective ("**Admission**") and the placing agreement between the Company and Panmure Gordon (the "**Placing Agreement**") not being terminated prior to Admission. It is expected that Admission will become effective and that dealings in the Placing Shares are expected to commence on 7 June 2016.

This announcement should be read in its entirety. In particular, your attention is drawn to the "**Important Notices**" section of this announcement, to the detailed terms and conditions of the Placing and further information relating to the book build described in the Appendix. By choosing to participate in the Placing and by making an oral and legally binding offer to acquire Placing Shares, investors will be deemed to have read and understood this announcement in its entirety and to be making such offer on the terms and subject to the conditions in it, and to be providing the representations, warranties, acknowledgements and undertakings contained in the Appendix.

**For further information:**

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**IMPORTANT NOTICES**

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

The Appendices to this Announcement (which forms part of this Announcement) set out the terms and conditions of the Placing.

By participating in the Placing, each person who is invited to and who chooses to participate in the Placing (a "**Placee**") by making an oral and legally binding offer to acquire Placing Shares will be deemed to have read and understood this Announcement in its entirety (including the Appendices) and to be making such offer on the terms and subject to the conditions herein, and to be providing the representations, warranties and acknowledgements contained in the Appendices.

Members of the public are not eligible to take part in the Placing and no public offering of securities will be made.

This Announcement is for information purposes only and is directed only at: (a) persons in member states of the European Economic Area who are qualified investors as defined in Article (2)(1)(e) ("**qualified investors**") of Directive 2003/71/EC; and (b) in the United Kingdom, qualified investors who are persons (1) who have professional experience in matters relating to investments falling within Article 19(1) (Investment Professionals) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) (the "**Order**"); (2) falling within Article 49(2)(a) to (d) (High net worth companies, unincorporated associations, etc.) of the Order; or (3) other persons to whom it may otherwise lawfully be communicated without being accompanied by any further statements and/or warnings required by the Order and not included in this Announcement (all such persons together being referred to as "**Relevant Persons**").

This Announcement must not be acted on or relied on by persons who are not Relevant Persons. Any investment or investment activity to which this Announcement or the Placing relates is available only to Relevant Persons and

will be engaged in only with Relevant Persons. As regards all persons other than Relevant Persons, the details of the Placing set out in this Announcement are for information purposes only.

Panmure Gordon (UK) Limited, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority (the "**FCA**"), is acting as Nominated Adviser and broker to the Company for the purposes of the AIM Rules for Companies and the AIM Rules for Nominated Advisers in connection with the Placing and is not acting for, and will not be responsible to, any person other than the Company for providing the protections afforded to customers of Panmure Gordon (UK) Limited or for advising any other person on any transaction or arrangement referred to in this Announcement.

Except pursuant to certain limited exceptions which will be determined solely by the Company and/or its advisers, this document may not be published, distributed, forwarded or transmitted directly or indirectly, in whole or in part, in or into the United States. These materials do not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States.

The Placing Shares described in this Announcement have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "**US Securities Act**"), or under the securities laws of any state of the United States and may not be offered, sold, resold, transferred or delivered, directly or indirectly, within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. The Placing Shares are being offered (i) outside of the United States in reliance on Regulation S under the US Securities Act and (ii) within the United States only to qualified institutional buyers as defined in Rule 144A under the Securities Act and in reliance upon an exemption from the registration requirements of the Securities Act provided by section 4(a)(2) thereof, and to "**accredited investors**" within the meaning of Rule 501 under the Securities Act. There will be no public offer of the Placing Shares in the United States. The Placing Shares have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission in the United States or any US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Placing Shares or the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States.

In addition, offers, sales or transfers of the Placing Shares in or into the United States for a period of time following completion of the Placing by a person (whether or not participating in the Placing) may violate the registration requirements of the US Securities Act.

Furthermore, the Placing Shares have not been and will not be registered under the applicable laws of any of Canada, Australia, New Zealand, Japan, the Republic of Ireland or the Republic of South Africa and, consequently, may not be offered or sold to any national, resident or citizen thereof. The distribution of this document in or into jurisdictions other than the United Kingdom may be restricted by law and therefore any person who is subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about, and observe, such restrictions. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. Subject to certain exceptions, this document is not for release publication or distribution, directly or indirectly, in or into the United States, Canada, Australia, New Zealand, Japan, the Republic of Ireland, the Republic of South Africa or any jurisdiction where to do so might constitute a violation of local securities laws or regulations.

#### FORWARD-LOOKING STATEMENTS

This Announcement and the Annual General Meeting Announcement made earlier today contain (or may contain) certain forward-looking statements with respect to certain of the Company's plans and its current goals and expectations relating to its future financial condition and performance and which involve a number of risks and uncertainties. The Company cautions readers that no forward-looking statement is a guarantee of future performance and that actual results could differ materially from those contained in the forward-looking statements. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements sometimes use words such as "aim", "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", "predict" or other words of similar meaning. Examples of

forward-looking statements include, amongst others, statements regarding or which make assumptions in respect of the planned use of the proceeds of the Placing, the liquidity position of the Company and its subsidiary undertakings (collectively, the "**Group**"), the future performance of the Group, future foreign exchange rates, interest rates and currency controls, the future political and fiscal regimes in the overseas markets in which the Group operates, the Group's future financial position, plans and objectives for future operations and any other statements that are not historical fact. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances, including, but not limited to, economic and business conditions, the effects of continued volatility in credit markets, market-related risks such as changes in interest rates and foreign exchange rates, the policies and actions of governmental and regulatory authorities, changes in legislation, the further development of standards and interpretations under International Financial Reporting Standards ("**IFRS**") applicable to past, current and future periods, evolving practices with regard to the interpretation and application of standards under IFRS, the outcome of pending and future litigation or regulatory investigations, the success of future acquisitions and other strategic transactions and the impact of competition. A number of these factors are beyond the Company's control. As a result, the Company's actual future results may differ materially from the plans, goals, and expectations set forth in the Company's forward-looking statements. Any forward-looking statements made in this document by or on behalf of the Company speak only as of the date they are made. These forward-looking statements reflect the Company's judgement at the date of this document and are not intended to give any assurance as to future results. Except as required by the FSA, the London Stock Exchange, the AIM Rules or applicable law, the Company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward looking statements contained in this document to reflect any changes in the Company's expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based.

## **APPENDIX I**

### **TERMS AND CONDITIONS OF THE PLACING**

#### **IMPORTANT INFORMATION ON THE PLACING FOR PLACEEES PROCURED BY PANMURE GORDON (UK) LIMITED ONLY.**

**THIS ANNOUNCEMENT, INCLUDING THE APPENDICES AND THE INFORMATION CONTAINED HEREIN IS RESTRICTED AND IS NOT FOR PUBLICATION, RELEASE OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO OR FROM THE UNITED STATES, CANADA, AUSTRALIA, JAPAN OR ANY JURISDICTION IN WHICH THE SAME WOULD BE UNLAWFUL. PERSONS INTO WHOSE POSSESSION THIS ANNOUNCEMENT (INCLUDING THE APPENDICES) COMES ARE REQUIRED BY THE COMPANY AND PANMURE GORDON TO INFORM THEMSELVES ABOUT AND TO OBSERVE ANY SUCH RESTRICTIONS.**

**MEMBERS OF THE PUBLIC ARE NOT ELIGIBLE TO TAKE PART IN THE PLACING. THIS ANNOUNCEMENT AND THE TERMS AND CONDITIONS SET OUT IN THIS APPENDIX ARE FOR INFORMATION PURPOSES ONLY AND ARE DIRECTED ONLY AT: QUALIFIED INVESTORS WHO ARE PERSONS WHO: (I) HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS FALLING WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005 (THE "ORDER"); (II) ARE PERSONS FALLING WITHIN ARTICLE 49(2)(A) TO (D) ("HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS, ETC") OF THE ORDER; OR (III) ARE PERSONS TO WHOM IT MAY OTHERWISE BE LAWFULLY COMMUNICATED (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS "RELEVANT PERSONS"). THIS APPENDIX AND THE TERMS AND CONDITIONS SET OUT HEREIN 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 APPENDIX AND THE TERMS AND CONDITIONS SET OUT HEREIN RELATES IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS. THIS APPENDIX DOES NOT ITSELF CONSTITUTE AN OFFER FOR THE SALE OR SUBSCRIPTION OF ANY SECURITIES IN THE COMPANY.**

**EACH PLACEE SHOULD CONSULT WITH ITS OWN ADVISERS AS TO LEGAL, TAX, BUSINESS AND RELATED ASPECTS OF A SUBSCRIPTION FOR THE PLACING SHARES.**

Persons who are invited to and who choose to participate in the Placing, by making an oral or written offer to acquire Placing Shares will be deemed to have read and understood this Announcement in its entirety and to be making such offer to acquire Placing Shares on the terms and conditions, and to be providing the representations, warranties, acknowledgements and undertakings contained in this Appendix.

Unless otherwise stated, defined terms used in this Appendix have the meaning set out at the end of this Appendix.

In this Appendix, unless the context otherwise requires, "**Placee**" means a Relevant Person (including individuals, funds or others) by whom or on whose behalf a commitment to take up Placing Shares has been given and who has been invited to participate in the Placing by Panmure Gordon.

### **Details of the Placing**

Panmure Gordon and the Company have today entered into the Placing Agreement under which Panmure Gordon has agreed on behalf of and as agent for the Company to use its reasonable endeavours to procure persons who will (subject to the satisfaction or waiver of the conditions contained in the Placing Agreement) subscribe for the Placing Shares at the Placing Price.

Application will be made for the Placing Shares to be admitted to trading on AIM. The Placing Shares will be issued credited as fully paid and will on Admission rank in full for all dividends and other distributions declared, paid or made after Admission in respect of the Placing Shares and otherwise *pari passu* in all respects with the existing Ordinary Shares of the Company.

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

Application will be made to the London Stock Exchange for admission of the Placing Shares to trading on AIM. It is expected that Admission will become effective and that dealings in the Placing Shares will commence on AIM at 8.00 a.m. on 7 June 2016.

### **Participation in, and principal terms of, the Placing**

Panmure Gordon is arranging the Placing within the UK as agent for and on behalf of the Company. Panmure Gordon will determine in its absolute discretion the extent of each Placee's participation in the Placing, which will not necessarily be the same for each Placee. The Placing is not underwritten. The price of securities and income from them may go down as well as up and investors may not get back the full amount on disposal of the securities.

Any indication in this Announcement of the price at which Ordinary Shares have been bought or sold in the past cannot be relied upon as a guide to future performance. No statement in this Announcement is intended to be a profit forecast 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.

On the assumption that the conditions set out in the Placing Agreement are satisfied (or waived, where appropriate) and that the Placing Agreement does not lapse and is not terminated in accordance with its terms on or prior to 8.00 a.m. on 7 June 2016 (or such later date, being not later than 16 June 2016 (the "**Long Stop Date**")), as Panmure Gordon and the Company may agree in writing), each Placee will be required to pay to Panmure Gordon, on the Company's behalf, the Placing Price for each Placing Share agreed to be acquired by it under the Placing in accordance with the terms set out herein. Each Placee's obligation to acquire and pay for Placing Shares under the Placing will be owed to Panmure Gordon and the Company. Each Placee has an immediate, separate, irrevocable and binding obligation, owed to Panmure Gordon, 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 subscribe. Each Placee will be deemed to have read and understood the Appendices in their entirety, to be participating in the Placing upon the terms and conditions contained in the Appendices, and to be providing

the confirmations, representations, warranties, agreements, acknowledgements and undertakings, in each case as contained in the Appendices. Save in the event of fraud on its part (and to the extent permitted by the rules of the FCA (the "**FCA Rules**")), neither (i) Panmure Gordon, (ii) any of its directors, officers, employees or consultants, nor (iii) to the extent not contained within (i) or (ii), any person connected with Panmure Gordon as defined in the FCA Rules ((i), (ii) and (iii) being together "affiliates" and individually an "affiliate"), shall have any liability to Placees or to any person other than the Company in respect of the Placing and that where any such liability nevertheless arises as a matter of law each Placee will immediately waive any claim against any affiliates which it may have in respect thereof.

### **Conditions of the Placing**

The Placing Agreement will be conditional, inter alia, on:

- (i) admission of the Placing Shares to trading on AIM having become effective in accordance with the AIM Rules by no later than 8.00 a.m. on 7 June 2016 (or by such later date as Panmure Gordon and the Company may agree, being no later than the Long Stop Date);
- (ii) the Company having complied with its obligations under the Placing Agreement to the extent that the same fall to be performed prior to Admission; and
- (iii) the satisfaction or, where appropriate, the waiver of certain other conditions set out in the Placing Agreement.

If any of the conditions contained in the Placing Agreement are not satisfied (or, where applicable, waived) or it has become incapable of being satisfied on or before 8.00 a.m. on 7 June 2016 or such later date as Panmure Gordon and the Company may agree in writing (but being not later than the Long Stop Date) the Placee's rights and obligations under the Placing shall cease and determine at such time and each Placee agrees that no claim can be made by the Placee in respect thereof. All obligations assumed by the Placee under the terms and conditions of the Placing are given to Panmure Gordon in its capacity as agent for the Company and the Selling Shareholder and are therefore directly enforceable by the Company and the Selling Shareholder.

By accepting Placing Shares, each Placee irrevocably agrees that: (i) the Company, Panmure Gordon and the Selling Shareholder may jointly, in their absolute discretion, exercise the right to extend the time for fulfilment of any of the conditions to the Placing Agreement (provided that Admission occurs not later than the Long Stop Date) waive, in whole or in part, fulfilment of certain of the conditions to the Placing Agreement and may terminate the Placing Agreement in certain circumstances prior to Admission, in each case without consulting with any Placee. Any such extension or waiver will not affect the Placees' commitments. If there is any change to the timetable Placees will be notified at the first practicable opportunity.

### **Termination of the Placing Agreement**

The Placing Agreement contains certain undertakings and warranties given by the Company and the Selling Shareholder for the benefit of Panmure Gordon and indemnities given by the Company relating to certain potential liabilities of Panmure Gordon. In addition, Panmure Gordon has certain rights to terminate the Placing Agreement at any time prior to Admission, inter alia, in the event of force majeure or a breach of warranty which is material in the context of the Placing. In the event that Panmure Gordon exercises these rights, all obligations and liabilities owed by the Placees will cease and Panmure Gordon will cause to be returned to the Placee, without interest, all monies received from the Placee at the Placee's risk.

By participating in the Placing, Placees agree that the exercise by Panmure Gordon of any right of termination or other discretion under the Placing Agreement shall be within the absolute discretion of Panmure Gordon and that they need not make any reference to Placees and that they shall have no liability to Placees whatsoever in connection with any such exercise or failure so to exercise.

## **No prospectus**

No offering document, prospectus or admission document has been or will be submitted to be approved by the FCA or submitted to the London Stock Exchange in relation to the Placing and Placees' commitments will be made solely on the basis of the information contained in this Announcement (including the Appendices) released by the Company today, and subject to the further terms set forth in the contract note to be provided by Panmure Gordon to individual prospective Placees.

Each Placee, by participating in the Placing, agrees that the content of this Announcement (including the Appendices) is exclusively the responsibility of the Company and confirms that it has neither received nor relied on any other information or representation concerning the Company, its subsidiaries, the Placing or Ordinary Shares. 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. Neither the Company nor Panmure Gordon nor any of their respective officers, directors or employees will be liable for any Placee's decision to participate in the Placing based on any other information, representation, warranty or statement which the Placees may have obtained or received. 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.

## **Registration and settlement**

Settlement of transactions in the Placing Shares following Admission will take place within the system administered by CREST, subject to certain exceptions. The Company reserves the right to require settlement for and delivery of the Placing Shares (or a portion thereof) to Placees in certificated form if Panmure Gordon in its absolute discretion considers this to be necessary or desirable.

A Placee's commitment to acquire a fixed number of Placing Shares under the Placing will be agreed orally with Panmure Gordon. Such oral agreement will constitute a legally binding commitment on such Placee's part to acquire that number of Placing Shares at the Placing Price on the terms and conditions set out or referred to in these Appendices and subject to the Company's Memorandum and Articles of Association.

After such agreement is entered into, each Placee allocated Placing Shares in the Placing will be sent a contract note stating the number of Placing Shares allocated to it at the Placing Price and settlement instructions (the "**Contract Note**").

Each Placee agrees that it will do all things necessary to ensure that delivery and payment is completed in accordance with the standing CREST or certificated settlement instructions that it has in place with Panmure Gordon. Settlement will be through Panmure Gordon against CREST participant account: 83801. For the avoidance of doubt, Placing allocations will be booked with a trade date of 2 June 2016 and settlement date of 7 June 2016.

The Company will instruct its registrar to deliver the Placing Shares to the CREST account operated by Panmure Gordon as agent for the Company and Panmure Gordon will enter its delivery (DEL) instruction into the CREST system. The input to CREST by a Placee of a matching or acceptance instruction will then allow delivery of the relevant Placing Shares to that Placee against payment.

Interest may be charged in respect of payments not received for value at that time.

Whilst Panmure Gordon does not believe there to be any liability to stamp duty or stamp duty reserve tax in respect of the Placing Shares, should any such stamp duty or stamp duty reserve tax be payable, it shall be entirely for the Placee's account and neither the Company nor Panmure Gordon will have any liability in respect thereof.

Each Placee is deemed to agree that, if it does not comply with these obligations, Panmure Gordon may sell any or all of the Placing Shares allocated to that Placee on such Placee's behalf and retain from the proceeds, for the Company's 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 aggregate amount owed by it and

may be required to bear any stamp duty or stamp duty reserve tax (together with any interest or penalties) which may arise upon the sale of such Placing Shares on such Placee's behalf.

If Placing Shares are to be delivered to a custodian or settlement agent, Placees should ensure that the trade confirmation 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 UK stamp duty or stamp duty reserve tax. Placees will not be entitled to receive any fee or commission in connection with the Placing.

### **Representations and warranties**

By participating in the Placing each Placee (and any person acting on such Placee's behalf) acknowledges, undertakes, represents, warrants and agrees (as the case may be) with Panmure Gordon (for itself and on behalf of the Company) the following:

1. it has read this Announcement, including the Appendices, in its entirety and acknowledges and agrees that its participation in the Placing will be governed by the terms set out in these Appendices;
2. its obligations are irrevocable and legally binding and shall not be capable of rescission or termination by it in any circumstances;
3. that the exercise by Panmure Gordon of any rights or discretion under the Placing Agreement shall be within the absolute discretion of Panmure Gordon and Panmure Gordon need not have any reference to the Placee and shall have no liability to it whatsoever in connection with any decision to exercise or not to exercise any such right and that it has no rights against Panmure Gordon or the Company, or any of their respective directors and employees under the Placing Agreement pursuant to the Contracts (Rights of Third Parties Act) 1999;
4. that it is not relying on any information or representation or warranty in relation to the Company or any of its subsidiaries or any of the Placing Shares other than as contained in this Announcement (including the Appendices). That neither the Company nor Panmure Gordon nor any of their respective officers, directors or employees will have any liability for any such other information or representation;
5. it has relied on its own investigation of the business, financial or other position of the Company in determining whether to participate in the Placing and neither Panmure Gordon nor the Company nor any of their affiliates nor any person acting on behalf of them has provided, and will not provide, any material regarding the Placing Shares or the Company other than this Announcement;
6. that neither it nor, as the case may be, its clients expect Panmure Gordon to have any duties or responsibilities to it similar or comparable to the duties of "best execution" and "suitability" imposed by the FCA's Conduct of Business Source Book, and that Panmure Gordon is not acting for it or its clients, and that Panmure Gordon will not be responsible for providing protections afforded to its clients or for providing advice in relation to the transactions described in this letter;
7. it is not a US Person (as defined in paragraph 34 below) or a national or resident of Canada, Australia, the Republic of South Africa, Japan or a corporation, partnership or other entity organised under the laws of the United States of America (the "**United States**"), Japan, the Republic of South Africa or any province of Canada or Australia and that it will not offer, sell, renounce, transfer or deliver directly or indirectly any of the Placing Shares in the United States, Japan, the Republic of South Africa or any province of Canada or Australia or to or for the benefit of any US person or any person resident in the Japan, the Republic of South Africa, or any province of Canada or Australia and it acknowledges that the Placing Shares have not been and will not be registered under the United States Securities Act of 1933, as amended, and the relevant exemptions are not being obtained from the Securities Commission of any province of Canada and that the same are not being offered for sale and may not be, directly or indirectly, offered, sold, renounced, transferred or delivered in the United States, Japan, the Republic of South Africa or any province of Canada or Australia unless pursuant to a relevant exemption;
8. if it is a US person or in the United States, it meets the requirements of qualified institutional buyers, as defined in Rule 144A under the US Securities Act;
9. it understands that if it is in the United States or a US Person and it decides to offer, sell or otherwise transfer any of the Placing Shares, such securities may be offered, sold or otherwise transferred only



- (i) to the Company, (ii) pursuant to an effective registration statement that covers resale of the securities, (iii) outside the United States in accordance with Rule 904 of Regulation S under the US Securities Act, or (iv) within the United States in a transaction that does not require registration under the US Securities Act (including, without limitation, pursuant to Rule 144 or Rule 144A) and in any case in accordance with any applicable securities laws of any state of the United States, and, with respect to clauses (iii) and (iv), the Placee has, prior to such offer, sale or transfer, furnished to the Company an opinion of counsel or other evidence of exemption, in either case reasonably satisfactory to the Company;
10. it understands that if it is in the United States or a US Person, the Placing Shares shall only be eligible for settlement through CREST if approved by the Company, and, if requested by the Company, the Placee provides a signed letter addressed to the Company, containing certain representations regarding compliance with US securities laws;
  11. if any Ordinary Shares offered and sold pursuant to Regulation S are issued in certificated form, then such certificates evidencing ownership will contain a legend substantially to the following effect unless otherwise determined by the Company in accordance with applicable law:  
"THE SECURITIES OF THE COMPANY REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. ACCORDINGLY, THIS SECURITY MAY NOT BE OFFERED, SOLD, PLEDGED, EXERCISED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, US PERSONS EXCEPT IN ACCORDANCE WITH THE SECURITIES ACT OR AN EXEMPTION THEREFROM AND IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS."
  12. if required by applicable securities laws or as otherwise reasonably requested by the Company, the Placee will execute, deliver and file and otherwise assist the Company in filing reports, questionnaires, undertakings and other documents with respect to the issue of the Placing Shares;
  13. it is entitled to subscribe for the Placing Shares under the laws of all relevant jurisdictions which apply to it and that it has fully observed such laws and obtained all governmental and other consents which may be required thereunder or otherwise and complied with all necessary formalities and that it has not taken any action which will or may result in the Company or Panmure Gordon or any of their respective directors, officers, employees or agents acting in breach of any regulatory or legal requirements of any territory in connection with the Placing or its acceptance of Placing Shares and that its commitment constitutes a valid and binding obligation on it;
  14. it has obtained all necessary capacity, consents and authorities (regulatory or otherwise) to enable it to give its commitment to subscribe for the Placing Shares and to perform its subscription obligations;
  15. it has such knowledge and experience in financial, business and tax matters as to be capable of evaluating the merits and risks of its investment in the Placing Shares and it is able to bear the economic risks and complete loss of such investment in the Placing Shares;
  16. it is acting as principal and for no other person and that its acceptance of Placing Shares will not give a contractual right to require the issue by the Company of any Placing Shares;
  17. it will (or will procure that its nominee will), if applicable, make notification to the Company of the interest in its shares in accordance with the articles of association of the Company;
  18. it is a Qualified Investor as defined in section 86(7) of the Financial Services and Markets Act 2000 (as amended) ("**FSMA**") and is a person (i) having professional experience in matters relating to investments who falls within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**") or (ii) who falls within Article 19(5) or Article 49(2)(a) to (d) ("High Net Worth Companies, Unincorporated Associations, etc") of the Order or (iii) to whom this Announcement may otherwise lawfully be communicated;
  19. if in a Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), the relevant Placee represents and warrants that:
    - (a) it is a legal entity which is authorised or regulated to operate in the financial markets or, if not so authorised or regulated, its corporate purpose is solely to invest in securities; or
    - (b) it is a legal entity which has two or more of:
 

(i)	an average of at least 250 employees during the last financial year;
(ii)	a total balance sheet of more than EUR 43,000,000; and/or

(iii)	an annual turnover of more than EUR 50,000,000, as shown in its last annual or consolidated accounts; or
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- (c) 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, (a) 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 (as defined in the Prospectus Directive) or in circumstances in which the prior consent of Panmure Gordon has been given to the offer or resale; or (b) where Placing Shares have been acquired by it on behalf of persons in any member state of the EEA 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; or
  - (d) such securities are sold in any other circumstance which does not require the publication of a prospectus by the Company pursuant to Article 3 of the Prospectus Directive; or
  - (e) 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 that, unless otherwise agreed with the Company, it (and any such account) is subscribing for the Placing Shares in an "offshore transaction" (within the meaning of Regulation S under the US Securities Act);
20. it is not, nor is it acting on behalf of, a person falling within subsections (6), (7) or (8) of sections 67 or 70 respectively or subsections (2) and (3) of section 93 or subsection (1) of section 96 of the Finance Act 1986;
  21. that no instrument under which it acquires Placing Shares (whether as principal, agent or nominee) will be subject to stamp duty or SDRT at the increased rates referred to in sections 67 or 93 (Depository Receipts) or section 70 or 96 (Clearance Services) of the Finance Act 1986;
  22. that it irrevocably appoints any director of Panmure Gordon as its agent for the purpose of executing and delivery 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 offered to it by Panmure Gordon;
  23. that if it elects to receive its Placing Shares in uncertificated form, the CREST member account identified in the Contract Note returned by it is not marked;
  24. to indemnify and hold the Company and Panmure Gordon harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach by it (or any person on whose behalf it is acting) of the representations, warranties, acknowledgements, agreements and undertakings contained in this appendix and further agrees that the provisions of this appendix shall survive after completion of the Placing;
  25. that its obligations will be owed to the Company and Panmure Gordon and acknowledges that it has an immediate, separate, irrevocable and binding obligation, owed to Panmure Gordon, to pay to Panmure Gordon (or as it may direct) in cleared funds an amount equal to that shown in the Contract Note;
  26. that any agreements entered into by it pursuant to these terms and conditions shall be governed by and construed in accordance with the laws of England and it submits (on behalf of itself and on behalf of any person on whose behalf it is acting) to the exclusive jurisdiction of the English courts as regards any claim, dispute or matter arising out of any such contract;
  27. that the Company and Panmure Gordon will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and undertakings which are given to Panmure Gordon on its own behalf and on behalf of the Company and are irrevocable;
  28. it is aware of, have complied with and will continue to comply with any obligations it has under the FCA's Money Laundering Rules, the Criminal Justice Act 1993, FSMA, the Terrorism Act 2000, the Anti-Terrorism Crime and Security Act 2001 and the Proceeds of Crime Act 2002 to the extent applicable to it and in respect of its subscription for Placing Shares: (i) it has complied fully with its obligations pursuant to the Money Laundering Regulations 2007; and (ii) it will provide Panmure Gordon on demand with any information it may require for the purposes of verification under the Money Laundering Regulations 2007;
  29. that to ensure compliance with the FCA's Money Laundering Rules, the Terrorism Act 2000, the Anti-Terrorism Crime and Security Act 2001, the Proceeds of Crime Act 2002 and the Money Laundering Regulations 2007 (as applicable) Panmure Gordon may, in its absolute discretion, require verification of the Placees identity to the extent that it has not already provided the same. Pending the provision to Panmure Gordon of evidence of identity, definitive certificates in respect of Placing Shares may be retained at its absolute discretion. If within a reasonable time after a request for verification of identity Panmure Gordon has not received evidence satisfactory to it, Panmure Gordon may, at its absolute

discretion, terminate the proposed issue of Placing Shares to the Placee in which event the monies payable on acceptance of the allotment will, if paid, be returned without interest to the account of the drawee bank from which they were originally debited. No Placing Shares will be placed with a Placee if before Admission its acceptance of any Placing Shares is rejected pursuant to the Money Laundering Regulations 2007;

30. that it will not make any offer to the public of those Placing Shares to be subscribed by it for the purposes of the Prospectus Rules issued by the FCA with effect from 1 July 2005 pursuant to Commission Regulation (EC) No. 809/2004;
31. that it will not distribute any document relating to the Placing Shares and it will be acquiring the Placing Shares for its own account as principal or for a discretionary account or accounts (as to which it has the authority to give the statements set out herein) for investment purposes only;
32. that this Announcement does not constitute an offer to sell, or the solicitation of an offer to buy, Placing Shares in any jurisdiction in which such an offer or solicitation is unlawful. It acknowledges and agrees that the Placing Shares have not been and will not be registered or qualified for sale under the security laws of the United States, Japan, the Republic of South Africa or any province of Canada or Australia. Accordingly, the Placing Shares may not be offered or sold, directly or indirectly, within the United States or to US Persons (as defined in paragraph 25 below), and save where it has provided evidence to the satisfaction of Panmure Gordon that it meets the requirements of qualified institutional buyers, as defined in Rule 144A under the US Securities Act, it represents, warrants and acknowledges to Panmure Gordon that it will only offer and sell the Placing Shares outside the United States in offshore transactions in accordance with Regulation S under the US Securities Act. The Placing Shares may not be sold within or to persons who are nationals of or are resident in or who are corporations or other entities organised under the laws of Japan, the Republic of South Africa or any provinces of Canada or Australia unless pursuant to a relevant exemption. Each Placee agrees not to distribute this Announcement in or into the United States, Japan, the Republic of South Africa, Canada, or Australia;
33. if the investor is a natural person, such investor is not under the age of majority (18 years of age in the United Kingdom) on the date of such investor's agreement to subscribe for Ordinary Shares under the Placing and will not be any such person on the date any such Placing is accepted;
34. that it is not a US Person (as defined below) or a person who is a national of or resident in or who is a corporation or other entity organised under the laws of Japan, the Republic of South Africa, or any province of Canada or Australia and that it is not acquiring Placing Shares on behalf of, or with a view to re-sale directly or indirectly to, any US Person or a person who is a national of or resident in or who is a corporation or other entity organised under the laws of Japan, the Republic of South Africa or any province of Canada or Australia or to any other person whom it has reason to believe is subscribing for such Placing Shares for the purposes of such re-offer or re-sale. In this Announcement, "**US Person**" means a citizen or resident of the United States, a citizen or partnership or other entity created or organised in or under the laws of the United States or any sub-division thereof or therein and any estate or trustee which is subject to US federal income taxation regardless of its source;
35. that information provided by it to the Company and the Company's registrars (the "**Registrars**") will be stored on the Company's and/or the Registrars computer system(s). It acknowledges and agrees that for the purposes of the Data Protection Act 1998 (the "**Data Protection Law**") and other relevant data protection legislation which may be applicable, the Company and the Registrars are required to specify the purposes for which they will hold personal data. The Company and the Registrars will only use such information for the purposes set out below (collectively, the "**Purposes**"), being to:
  - (i) process its personal data (including sensitive personal data) as required by or in connection with its holding of Ordinary Shares, including processing personal data in connection with credit and money laundering checks on it;
  - (ii) communicate with it as necessary in connection with its affairs and generally in connection with its holding of Ordinary Shares;
  - (iii) provide personal data to such third parties as the Company or the Registrars may consider necessary in connection with its affairs and generally in connection with its holding of Ordinary Shares or as the Data Protection Law may require, including to third parties outside the United Kingdom or the European Economic Area;

- (iv) without limitation, provide such personal data to the Company or Panmure Gordon for processing, notwithstanding that any such party may be outside the United Kingdom or the EEA States; and
  - (v) process its personal data for the Company's or Registrars' internal administration; and
36. that it has obtained the consent of any data subjects to the Registrars and the Company and their respective associates holding and using their personal data for the Purposes (including the explicit consent of the data subjects for the processing of any sensitive personal data for the purpose set out in paragraph (x) above). For the purposes of this document, "data subject", "personal data" and "sensitive personal data" shall have the meanings attributed to them in the Data Protection Law.

The acknowledgements, undertaking, representations and warranties referred to above are given to each of the Company and Panmure Gordon (for their own benefit, and where relevant, the benefit of their respective affiliates) and are irrevocable. The Company and Panmure Gordon will rely upon the truth and accuracy of the foregoing acknowledgements, undertakings, representations and warranties.

The agreement to settle a Placee's acquisition of Placing Shares (and/or the acquisition by a person for whom such Placee is contracting as agent) free of stamp duty and stamp duty reserve tax depends on the settlement relating only to an acquisition by it and/or such person direct from the Company for the Placing Shares in question. 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 dealing in the Placing Shares, stamp duty or stamp duty reserve tax may be payable, for which neither the Company nor Panmure Gordon will be responsible. If this is the case, each Placee should seek its own advice and notify Panmure Gordon.

In addition, Placees should note that they will be liable for any 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 UK 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.

Each Placee, and any person acting on behalf of the Placee, acknowledges that Panmure Gordon does not owe any fiduciary or other duties to any Placee in respect of any representations, warranties, undertakings or indemnities expected to be contained in the Placing Agreement.

When a Placee or person acting on behalf of the Placee is dealing with Panmure Gordon, any money held in an account with Panmure Gordon 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 rules and regulations of the FCA made under the FSMA. The 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 Panmure Gordon's money in accordance with the client money rules and will be used by Panmure Gordon in the course of its own business and each Placee will rank only as a general creditor of Panmure Gordon.