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**24 April 2019**

**LOUNGERS PLC**

**("Loungers", the "Company" or "the Group")**

**INITIAL PUBLIC OFFERING**

**PLACING**

**PUBLICATION OF ADMISSION DOCUMENT**

**PROPOSED ADMISSION TO TRADING ON AIM**

Loungers, the operator of 146 café/bar/restaurants across England and Wales under the Lounge and Cosy Club brands, announces its initial public offering by way of a conditional placing (the "Placing") of 41,625,000 Ordinary Shares at 200 pence per Ordinary Share (the "Placing Price") consisting of 30,798,097 New Ordinary Shares and 10,826,903 Existing Ordinary Shares with institutional and other investors. The Placing has conditionally raised gross proceeds of approximately £83.3 million, comprising £61.6 million for the Company and £21.7 million for the Selling Shareholders.

The Company has today published its Admission Document and will apply for the admission to trading of the Ordinary Shares to AIM ("Admission"). The full terms and conditions of the Placing and Admission are set out in the Admission Document.

**Highlights:**

- Based on the Placing Price, the market capitalisation and enterprise value of the Company on Admission will be £185.0 million and £212.5 million respectively (based on anticipated net debt post Admission)

- The Company has conditionally raised £61.6 million (before expenses) pursuant to the Placing. The Company's net proceeds will be used, alongside new bank facilities, to repay the Group's current debt facilities, reduce the overall level of indebtedness and provide the Group with an appropriate capital structure with which to pursue its growth plans

- Selling shareholders including Lion Capital (the Company's current institutional backer), Alex Reilley and Jake Bishop (the Company's founders) and members of the senior management team will have raised approximately £21.7million (before expenses) pursuant to the Placing

- On Admission, Lion Capital will be interested in approximately 39 per cent. of the issued Ordinary Shares. The Executive Directors, Founders and senior management will be interested in approximately 16 per cent. of the issued Ordinary Shares

- On Admission, the Company will have 92,500,000 Ordinary Shares in issue and a free float of approximately 45 per cent.

- Admission and the commencement of dealings in the Ordinary Shares is expected to take place at 8.00 a.m. on 29 April 2019

- The Company's ISIN is GB00BH4JR002 and its AIM TIDM will be LGRS

- GCA Altium Limited acted as financial adviser and nominated adviser to the Company, with Liberum Capital Limited and Peel Hunt LLP acting as Joint Bookrunners to the Company in relation to the Placing

**Nick Collins, Chief Executive Officer of Loungers, said:**

*"Today is a significant milestone in Loungers' journey as it has long been our ambition to list the Company on the public markets. We are delighted that our unique business has resonated strongly with investors.*

*"None of this would have been possible without the continued commitment of our wonderful team of employees. I would like to take this opportunity to thank them on behalf of the Board for their tremendous efforts which have enabled Loungers to go from strength to strength.*

*"We welcome all of our new shareholders to the Loungers' family and look forward to the Company's continued growth and future success."*

Capitalised terms used in the Admission Document shall, unless the context provides otherwise, have the same meanings in this Announcement.

**Enquiries:**


| | |
|---|---|
| **Loungers plc**<br>Alex Reilley, Executive Chairman<br>Nick Collins, Chief Executive Officer<br>Gregor Grant, Chief Financial Officer | Today: via Instinctif Partners |
| **GCA Altium Limited (Financial Adviser and NOMAD)**<br>Sam Fuller/Katherine Hobbs/Tim Richardson | Tel: +44 (0) 20 7484 4040 |
| **Liberum Capital Limited (Joint Bookrunner and Joint Broker)**<br>Clayton Bush/Andrew Godber/John Fishley | Tel: +44 (0) 20 3100 2000 |

**Peel Hunt LLP (Joint Bookrunner and Joint Broker)** Tel: +44 (0)20 7418 8900
Dan Webster/Al Rae/George Sellar

**Instinctif Partners (Financial Public Relations)** Tel: +44 (0) 207 457 2020
Justine Warren/Matthew Smallwood

**Notes to Editors:**

Loungers is an operator of 146 café/bar/restaurants across England and Wales under two distinct but complementary brands, Lounge and Cosy Club. The Group is the only growing all-day operator of scale in the UK, with a strong reputation for value for money. The Group's sites offer something for everyone regardless of age, demographic or gender and the Group operates successfully in a diverse range of different sites and locations across England and Wales.

The first Lounge was founded in Bristol in 2002 by three friends who wanted to create a neighbourhood café-bar that they would want to go to. That focus on hospitality, comfort and familiarity remains at the core of the Group, driven by an independent culture and focus on the local community.

**Key Strengths of the Group**

- **Broad, nationwide demographic appeal**

  The Group's sites offer something for everyone regardless of age, demographic or gender and operate successfully in a diverse range of different site types and locations across England and Wales.

- **Value for money all-day offer**

  The Group is the only growing all-day operator of scale in the UK with a strong reputation for value for money, which, the Directors believe, offers proven resilience in a tighter and more competitive consumer spending environment.

- **Two distinct but complementary brands**

  The dual brand approach, with Lounge and Cosy Club, allows Loungers to maximise its geographic and demographic reach. The Group can open Lounges in a broad range of smaller, secondary locations in suburban high streets and market towns, as well as opening Cosy Clubs in larger market towns and city centres.

- **Resilient and consistent outperformance, returns and site economics**

  Like-for-like sales have consistently and significantly outperformed the Coffer Peach Business Tracker, which is seen as the benchmark for the UK hospitality sector. This like-for-like sales outperformance has been primarily driven by volume, rather than price. Loungers' sites have delivered consistently strong returns and site economics across vintages and locations.

- **Clear, proven growth potential**

  Independent analysis by location planning consultants CACI has identified the potential for more than 400 Lounges and more than 100 Cosy Clubs in England and Wales. This is supported by a consistent track record of successful openings and a strong pipeline of new sites.

- **Strong pipeline of new sites and track record of successful openings**

  The Group opened 21, 20 and 22 sites in FY16, FY17 and FY18, respectively. The Group opened 25 sites and relocated one site in FY19. As at the date of this announcement, the Group has a further 13 sites where contracts have been exchanged and 35 sites in legal documentation or at heads of terms stage.

- **Well-invested central infrastructure to support growth**

  The Group has invested significantly over the past three years to build an operational and head office structure capable of supporting its growth plans, in addition to having a well-developed roadmap for continued investment.

- **Experienced management team**

  The Loungers senior management team combines entrepreneurial spirit with significant sector experience and has a track record of meeting openings, sales and profitability targets. Two of the original founders, Alex Reilley and Jake Bishop, remain active in the Group while CEO Nick Collins and CFO Gregor Grant each have over 15 years of experience within the hospitality industry.

**Business overview**

Loungers is a substantial and growing operator in the UK hospitality sector. Loungers operates 146 sites in England and Wales across two distinct but complementary brands, Lounge and Cosy Club. Founded in 2002 by three friends who wanted to create a neighbourhood café-bar that they would want to go to, the Group is now the only growing all-day operator of scale in the UK and has consistently outperformed the wider UK hospitality sector (as measured by the Coffer Peach Business Tracker) over the past three years.

**Lounge**

A Lounge is a neighbourhood café/bar combining elements of a restaurant, British pub and coffee shop culture. There are 122 Lounges nationwide. Lounges are principally located in secondary suburban high streets and small town centres. The sites are characterised by informal, unique interiors with an emphasis on a warm, comfortable atmosphere, often described as a “home from home”. The Lounge estate has a consistent look and feel but each Lounge is individually named and tailored to the site and local area, and the design of each Lounge is continually evolving, meaning no two sites are the same.

The Lounge brand aims to have hospitality and familiarity at its core, driven by an independent culture and focus on the local community. Each site has its own social media presence and staff are encouraged to engage with the local community through events, charity and community groups. 80 per cent of customers live locally[1], underlining each Lounge’s local neighbourhood credentials.

Lounges appeal to a diverse customer base, offering something for everyone regardless of age, demographic or gender.

A Lounge represents something different to different people. For some it is somewhere to go for a coffee after the school run; for others it is a place to catch up with friends, a place for a celebration or a night out. 90 per cent of Lounge customers visit for multiple occasions, 25 per cent of Lounge customers visit at least weekly and two thirds every month[1], which demonstrates the versatility of the Lounge offering and the loyalty of the customer base.

Every Lounge offers all-day dining, with the same menu served from 9am to 10pm, every day. Sales are well diversified across all day parts and days of the week as well as across all food and drink types. In addition to helping to drive repeat custom and maximise the trading efficiency of the sites, the all-day offering involves managing operational complexity, particularly in the kitchens, which the Directors believe is a meaningful barrier to entry for other operators.

*[1] November 2018 survey of 1,529 customers undertaken by consultancy firm Market Measures.*

## Cosy Club

Cosy Clubs are more formal bar/restaurants offering reservations and table service but share many similarities with the Lounges in terms of their broad, all-day offering and their focus on hospitality and culture. Cosy Clubs are typically located in city centres and large market towns. Interiors tend to be larger and more theatrical than for a Lounge, and heritage buildings or first-floor spaces are often employed to create a sense of occasion. The Cosy Club brand enables the Group to operate in areas where there is a more occasion-led demographic and offers an opportunity for greater coverage within cities (Birmingham, for example, has nine Lounges and one Cosy Club within a ten-mile radius). Sales, EBITDA and capital expenditure are typically higher for a Cosy Club than for a Lounge. There are currently 24 Cosy Clubs in England and Wales.

Cosy Clubs benefit from a similarly demographically diverse customer base as Lounges, appealing to all age groups and genders.

The more occasion-led usage means that Cosy Clubs have a slightly higher proportion of evening, weekend and alcohol sales than Lounges, but sales remain well diversified by product, day part, and day of the week. The Christmas and New Year trading period is more important for Cosy Clubs than for Lounges but the four week period from 4 December 2017 to 31 December 2017 still only represented 12.5 per cent of Cosy Club FY18 sales.

## Market and competition

Loungers operates in the UK hospitality sector, competing with coffee shops, pubs, restaurants and local independent operators. However, 72 per cent of Lounge customers see it as a unique proposition[1], rather than categorise it solely as a restaurant, pub or coffee shop. Independent analysis recently undertaken by location planning consultants CACI concluded that the Group has no single competitor and that it can co-exist with all other operators. The Group competes with every element of the trade of a pub chain, coffee shop, or restaurant, whereas each of those operators only competes for a part of Loungers' sales.

Over the past three years, the Group's like-for-like sales have consistently and significantly outperformed the Coffer Peach Business Tracker, which is seen as the benchmark index for the UK hospitality sector. The Directors believe this demonstrates the Group's unique positioning and resilience. The Group's like-for-like sales outperformance to date has primarily been driven by volume, rather than price.

*[1] November 2018 survey of 1,529 customers undertaken by consultancy firm Market Measures.*

## Strategy

The Directors intend to continue to pursue an organic growth strategy, driven by the rollout of new Lounge and Cosy Club sites and an ongoing focus on operational improvements to drive further sales and margin improvements across the existing estate. The Group opened 25 sites and relocated one site in the financial year ending 21 April 2019. This strategy is consistent with the strategy successfully executed by the Group over the past three years.

## Rollout of new Lounge and Cosy Club sites

The Directors are targeting 25 new site openings per annum over the medium term, of which approximately 20 are expected to be Lounges and approximately five are expected to be Cosy Clubs.

Independent analysis by location planning consultants CACI has identified the potential for more than 400 Lounges and for more than 100 Cosy Clubs in England and Wales. The Directors believe that the number of potential new Lounge sites is conservative given the recent performance of new openings across a range of catchments. At 400 sites, the Lounge estate would still be less than half the size of the current estates of certain other operators in the UK hospitality sector.

The Group opened 21, 20 and 22 sites in FY16, FY17 and FY18, respectively. The Group opened 25 sites and relocated one site in the year ending 21 April 2019. As at the date of this announcement, the Group has a further 13 sites where contracts have been exchanged and 35 sites in legal documentation or at heads of terms stage. The Group is typically evaluating approximately 40 additional locations at any one time.

The Group adheres to rigorous new site selection criteria and a structured appraisal process. New sites are assessed against a number of investment, demographic and catchment hurdles, and are subject to sign off by the Board.

The Group has a revolving credit facility to help fund capital expenditure and working capital, but the Directors expect the rollout to be funded by internally generated operating cashflows within the next two years.

**Summary Financial Information**

The table below sets out a summary of the financial results of the Group for the three financial years to 22 April 2018 and the two 24 week periods to 8 October 2017 and 7 October 2018.

| | 52 weeks ended | | | 24 weeks ended | |
|---|---|---|---|---|---|
| | | | | Unaudited | |
| | 24 April 2016 | 23 April 2017 | 22 April 2018 | 8 October 2017 | 7 October 2018 |
| | £000 | £000 | £000 | £000 | £000 |
| Revenue | 68,475 | 91,753 | 121,067 | 51,662 | 65,444 |
| Cost of sales | (41,415) | (52,856) | (70,479) | (30,475) | (38,842) |
| **Gross Profit** | 27,060 | 38,897 | 50,588 | 21,187 | 26,602 |
| Administrative expenses | (25,242) | (39,828) | (43,592) | (19,156) | (23,396) |
| **Operating Profit / (Loss)** | 1,818 | (931) | 6,996 | 2,031 | 3,206 |
| Exceptional items | 452 | 5,869 | 542 | 327 | - |
| Share based payment charge | 249 | 380 | 533 | 246 | 246 |
| Site pre-opening costs | 1,710 | 1,585 | 2,001 | 701 | 1,081 |
| **Adjusted operating profit** | 4,229 | 6,903 | 10,072 | 3,305 | 4,533 |
| Depreciation | 4,429 | 5,779 | 6,567 | 3,349 | 3,580 |
| **Adjusted EBITDA** | 8,658 | 12,682 | 16,639 | 6,654 | 8,113 |

**Revenue and profitability**

Between 24 April 2016 and 22 April 2018 sales grew at a CAGR of 33 per cent, driven by a combination of new site openings and like-for-like sales growth in the existing estate. Adjusted EBITDA grew at a CAGR of 39 per cent over the same period.

The Group has maintained consistent gross profit and Adjusted EBITDA margins despite well documented consumer sector pressures.

**Current Trading and Prospects**

Since 7 October 2018, the Group has continued to expand, opening 10 new Lounges and two new Cosy Clubs and bringing the total for both brands to 146 as at the date of this announcement. Over the 24 weeks ended 24 March 2019, the Group achieved like-for-like sales growth of 7.7 per cent., maintaining its track record of consistently outperforming the wider hospitality sector.

Since 24 March 2019 and through its FY19 year end, the Group has continued to trade in line with the Directors' expectations.

**Dividend Policy**

In the short term, the Directors intend to retain the Group's earnings for re-investment in the rollout of new Lounge and Cosy Club sites. It is the Directors' ultimate intention to pursue a progressive dividend policy, subject to the availability of sufficient distributable profits and the need to retain sufficient earnings for the future growth of the Group.

**Board of Directors and Senior Management**

***Board of Directors***

On Admission, the Board will consist of three Executive Directors and four Non-Executive Directors (three of whom are considered to be independent). Brief biographies of the Directors and the senior managers of the Group are set out below.

The Board believes that Loungers benefits from a strong, stable and proven executive and senior management team.

***Alex Reilley (aged 45) – Founder Chairman***

Alex co-founded the Group in 2002, acting as Managing Director until 2015 when he assumed the role of Executive Vice Chairman. In 2016, following an investment from Lion Capital, Alex assumed the role of Executive Chairman and remains heavily involved in the branding and look and feel of the Loungers estate. Prior to founding Loungers, Alex had a number of roles within the leisure sector including as Operations Manager at Glass Boat Co., where he spent seven years.

***Nick Collins (aged 44) – Chief Executive Officer***

Nick joined the Group in January 2012 as Finance Director, becoming Chief Operating Officer in January 2014 and Chief Executive Officer in January 2015. He has overseen the expansion of the Group from 56 to 146 sites. Prior to joining the Group, Nick spent three years as Finance Director at AIM quoted Capital Pub Company plc, leaving when that company was sold to Greene King plc in 2011. Prior to that Nick founded Fuzzy's Grub, a sandwich business in London, which he grew to eight outlets and a central production facility over five years. Nick also spent five years in corporate finance at Arthur Andersen where he qualified as a chartered accountant in 2001.

***Gregor Grant (aged 52) – Chief Financial Officer***

Gregor joined the Group in August 2018 as Chief Financial Officer. Gregor qualified as a chartered accountant with Deloitte and Touche in 1992 and, after leaving Deloitte in 1998, has spent the last 20 years in a variety of CFO roles, primarily in the hospitality sector. Prior to joining the Group, Gregor spent two years as interim CFO at Southern Dental Ltd (2016 – 2018), the third largest provider of NHS dental services in the UK, three years as Finance Director at Novus Leisure Ltd (2013 – 2016), and acted as interim CFO at ETrawler Unlimited (trading as CarTrawler) (2011 – 2012) and CFO at Fuddruckers Inc., a US hamburger chain based in Austin, Texas (2007 – 2010). Gregor was also part of the management buy in team that acquired regional brewers Morrells of Oxford Ltd in 1998, which was subsequently sold to Greene King plc in 2002, and Eldridge, Pope & Co. Ltd in 2004 which was subsequently sold to Marston's Plc in 2007.

***James Cocker (aged 36) – Non-Executive Director***

James is a Partner and member of the Investment Committee at Lion Capital. James joined the Group as a Non-Executive Director in December 2016, having led the transaction that resulted in Lion Capital's investment. Since joining Lion Capital in 2006, James has led investments into a number of consumer brands, including Grenade, DMC Group, and Kix Soccer Centres. Prior to this, James spent two years at McKinsey & Company with a focus on the consumer and retail sectors. James holds a degree in Philosophy, Politics and Economics from Oxford University.

***Nick Backhouse (aged 55) – Senior Independent Non-Executive Director***

Nick joined the Board in March 2019 as an Independent Non-Executive Director and is the Senior Independent Director of the Board and Chair of the Nominations Committee. Nick has extensive public company, finance and leisure sector experience. He currently also serves as Senior Independent Director of Hollywood Bowl Group plc (2016 – Present), as a Non-Executive Director of Eaton Gate Gaming Ltd (2018 – Present) and as a Trustee and Director of Chichester Festival Theatre (2014 – Present). Nick has also held positions as Non-Executive Director at Marston's Plc (2012 – 2018) and at All3Media Ltd (2011 – 2014) and Senior Independent Director at Guardian Media Group Plc (2007 – 2017). Nick started his career at Baring Brothers and Co. where he became a Board Director (1989 – 99) following which he held CFO positions at Freeserve Plc (1999 – 2001), The Laurel Pub Company Ltd (2002 – 2005), National Car Parks Ltd (2006 – 2007) and was MD and Deputy CEO at David Lloyd Leisure Ltd (2008 – 2011).

***Adam Bellamy (aged 49) – Independent Non-Executive Director***

Adam joined the Board in March 2019 as an Independent Non-Executive Director and chair of the Audit Committee. Adam is a Non-Executive Director of PureGym Ltd (2018 – Present) where he also served as CFO (2012 – 2018) and a Non-Executive Director at Ten Entertainment Group plc (2018 – Present). Prior to his role as CFO at PureGym Ltd, Adam was Finance Director at Atmosphere Bars & Clubs Ltd (2009 – 2012), Finance Director at D&D London Ltd (2006 – 2009) and has held various other finance positions at House of Fraser Ltd, Granada Group plc and Whitbread Plc.

***Jill Little (aged 65) – Independent Non-Executive Director***

Jill joined the Board in March 2019 as an Independent Non-Executive Director and chair of the Remuneration Committee. Jill is also a Non-Executive Director of Joules Group plc (2016 – Present), Nobia AB (2017 – Present) and Shaftesbury plc (2010 – Present). Jill spent the majority of her executive working life at John Lewis Partnership (1975 – 2012) where she held positions including Merchandise Director, Strategy & International Director and Business Development Director. Jill also acts as an adviser to El Corte Ingles S.A. (2012 – Present), Europe's largest department store group.

***Senior Management***

***Justin Carter (aged 54) – Managing Director of Lounge***

Justin joined the Group in January 2015 as Chief Operating Officer and was appointed Managing Director of the Lounge brand in summer 2017. Justin is responsible for the management of the whole Lounge team, its financial performance, the evolution of the Lounge offering and its continued expansion. Prior to joining the Group, Justin was Operations Director at Fuller, Smith & Turner PLC where he was responsible for the Premium City division of London managed pubs. In 1995 Justin founded The Elbow Room Ltd, a UK-based chain of pool bars, which he ran until its sale to Inc Group in 2008.

***Amber Wood (aged 40) – Managing Director of Cosy Club***

Amber joined the Group in August 2015 as a Regional Operations Manager for the Lounge brand before moving to Managing Director of the Cosy Club brand in summer 2017. Amber is responsible for the whole Cosy Club team, its financial performance, the evolution of the Cosy Club offering and its continued expansion. Prior to joining the Group, Amber spent nine years at Novus Leisure Ltd including two years as Head of Operations.

***Jake Bishop (aged 45) – Commercial Director***

Jake co-founded the Group in 2002 and has held various senior operational roles since that time. After a year establishing the role of Managing Director of the Cosy Club brand Jake became Commercial Director in summer 2017 and is responsible for the Group's food and kitchen operations.

***Rob Walls (aged 42) – Property Director***

Rob joined the Group in January 2019 as Property Director to supplement the existing property function. Rob brings significant experience from other multi-site consumer businesses, having spent seven years at Halfords Group plc (2011 – 2018) as Property Portfolio Manager and latterly Head of Property and worked at Pets at Home Group plc as Acquisition Manager (2008 – 2011) and Home Retail Group Ltd (2007 – 2008). Rob started his career as an Acquisition Surveyor at Brantano N.V. (2003 – 2007).

***IMPORTANT NOTICES***

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*This announcement 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 the Company.*

*The Ordinary Shares referred to in this announcement have not been and will not be registered under the United States Securities Act of 1933, as amended (the "US Securities Act") or under the securities laws of any state or other jurisdiction of the United States of America, and may not be offered, sold or transferred within the United States of America except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. The Ordinary Shares have not been and will not be 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.*

*Any subscription for or purchase of Ordinary Shares in the Placing should be made solely on the basis of the information contained in the Admission Document published by the Company in connection with the Placing and Admission. The information in this announcement is for background purposes only and does not purport to be full or complete. No reliance may or should be placed for any purposes whatsoever on the information contained in this announcement or its accuracy, completeness or fairness. The information in this announcement is subject to change. However, the Company does not undertake to provide the recipient of this announcement with any additional information, or to update this announcement or to correct any inaccuracies, and the distribution of this announcement shall not be deemed to be any form of commitment on the part of the Company to proceed with the Placing or any transaction or arrangement referred to in this announcement. This announcement has not been approved by any competent regulatory authority.*

*In connection with the Placing, Liberum Capital Limited ("Liberum Capital"), Peel Hunt LLP ("Peel Hunt") and GCA Altium Limited ("GCA Altium") and/or any of their respective affiliates, acting as investors for their own accounts, may subscribe for or purchase Ordinary Shares and in that capacity may retain, purchase, sell, offer to sell or otherwise deal for their own accounts in such Ordinary Shares and other securities of the Company or related investments in connection with the Placing, or otherwise. Accordingly, references in the Admission Document, once published, to the Ordinary Shares being offered, subscribed, acquired, placed or otherwise dealt in should be read as including any offer to, or subscription, acquisition, placing or dealing by Liberum Capital, Peel Hunt and/or GCA Altium and/or any of their respective affiliates acting as investors for their own accounts. In addition, Liberum Capital, Peel Hunt and/or GCA Altium and/or any of their respective affiliates may enter into financing arrangements and swaps in connection with which Liberum Capital, Peel Hunt and/or GCA Altium and/or any of their respective affiliates may from time to time acquire, hold or dispose of Ordinary Shares. Neither Liberum Capital, Peel Hunt or GCA Altium has any intention to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.*

*Liberum Capital, Peel Hunt and GCA Altium are authorised and regulated by the Financial Conduct Authority (the "FCA") in the United Kingdom and are acting exclusively for the Company and no-one else in connection with Admission. They will not regard any other person as their respective clients in relation to Admission and will not be responsible to anyone other than the Company for providing the regulatory protections afforded to their respective clients, nor for providing advice in relation to the contents of this announcement or any transaction, arrangement or other matter referred to herein.*

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*The anticipated timetable for Admission may be influenced by a range of circumstances, including market conditions. There is no guarantee that Admission will occur.*

*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.*

*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.*

*Certain figures in this announcement, including financial information, have been subject to rounding adjustments. Accordingly, in certain instances, the sum or percentage change of the numbers contained in this announcement may not conform exactly with the total figure given.*

***FORWARD LOOKING STATEMENTS***

*All statements other than statements of historical fact included in this announcement, including, without limitation, those regarding the Group's financial position, business strategy, plans and objectives of management for future operations or statements relating to expectations in relation to shareholder returns, dividends or any statements preceded by, followed by or that include the words "targets", "estimates", "envisages", "believes", "expects", "aims", "intends", "plans", "will", "may", "anticipates", "would", "could" or similar expressions or the negative thereof, are intended to identify forward looking statements.*

*Such forward looking statements involve known and unknown risks, uncertainties and other important factors beyond the Group's control that could cause the actual results and performance to be materially different from future results and performance expressed or implied by such forward looking statements. Such forward looking statements are based on numerous assumptions regarding the Group's present and future business strategies and the environment in which the Group will operate in the future. Therefore, actual outcomes and results may differ materially from what is expressed in such forward looking statements or expectations.*

*These forward looking statements speak only as of the date of this announcement. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward looking statements contained herein to reflect any change in the Company's expectations with regard thereto, any new information or any change in events, conditions or circumstances on which any such statements are based, unless required to do so by law or any appropriate regulatory authority.*