

THIS ANNOUNCEMENT (INCLUDING THE APPENDIX) AND THE INFORMATION CONTAINED HEREIN ARE NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES, AUSTRALIA, CANADA, JAPAN, SOUTH AFRICA OR ANY JURISDICTION IN WHICH SUCH RELEASE, PUBLICATION OR DISTRIBUTION WOULD BE UNLAWFUL. THE INFORMATION CONTAINED HEREIN DOES NOT CONSTITUTE AN OFFER OF SECURITIES FOR SALE IN AUSTRALIA, CANADA, JAPAN, SOUTH AFRICA OR IN ANY OTHER JURISDICTION IN WHICH THE SAME WOULD BE UNLAWFUL. PLEASE SEE THE IMPORTANT NOTICE AT THE END OF THE ANNOUNCEMENT.

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

22 December 2016

HSS Hire Group plc

Placing to raise £13.0m

HSS Hire Group plc ("HSS" or "the Group"), a leading provider of tool and equipment hire and related services in the UK and Ireland, announces that it has conditionally placed 15,445,238 new ordinary shares in the capital of HSS (the "New Ordinary Shares") at a placing price of 83.875p per New Ordinary Share with certain existing institutional shareholders to raise approximately £13.0 million before expenses (the "Placing").

Background to and reasons for the Placing

As set out in the nine month trading update announced on 24 November 2016, the Group continued to increase its market share over the first nine months of the year with revenue growing by 11% overall (2% in Rental and related revenue and 67% in Services). Adjusted EBITA¹ grew by 6% to £14.6 million with EBITA margin improving to 5.7% versus 4.5% in the first half of the year. The outlook for the financial year ending 31 December 2016 is unchanged from that set out in the nine month trading update.

The trading update also noted that the Group's operational change programme had been extended into Q1 2017 and that this had impacted the Group's core rental business and related revenue growth. This programme, and in particular the introduction of the new National Distribution and Engineering Centre, is transforming operational practices across the Group and will deliver both significantly enhanced customer service levels and greater operational efficiencies when complete. The scale and complexity of the programme (including £12.5 million of previously announced one-off costs for the nine month period ended 1 October 2016), together with the on-going investment to support revenue growth, has led the Board to conclude that an equity injection would strengthen the balance sheet of the Group and provide additional flexibility to fund fleet investment as it completes the change programme in early 2017. Having assessed various equity funding options, the Board concluded that the Placing would be the most efficient method in terms of cost, time and management resource.

The Group has therefore today conditionally placed 15,445,238 New Ordinary Shares at a placing price of 83.875p per ordinary share to raise approximately £13.0 million before expenses.

¹ Adjusted EBITA defined as Operating Profit with amortisation and exceptional costs added back (exceptional costs include restructuring, IPO and acquisition costs)

Details of the Placing

Numis Securities Limited (**Numis**) is acting as sole broker in connection with the Placing. The Placing is subject to the terms and conditions set out as an Appendix (which forms part of this announcement, such announcement and the Appendix together being the "Announcement").

The issue of the Placing Shares is to be effected by way of a cashbox placing. The Group will allot and issue the Placing Shares on a non pre-emptive basis to Placees (as defined in the Appendix) in consideration for Numis transferring its holdings of redeemable preference shares and ordinary subscriber shares in a Jersey special purpose vehicle ("Jersey SPV") to the Group. Accordingly, instead of receiving cash as consideration for the allotment and issue of Placing Shares, at completion of the Placing the Group will own all of the issued ordinary shares and redeemable preference shares of Jersey SPV, whose only asset will be its cash reserves, which will represent an amount approximately equal to the net proceeds of the Placing. The Placing is not underwritten.

The New Ordinary Shares will be fully paid and will rank *pari passu* in all respects with the existing ordinary shares of the Group, including the right to receive all dividends and other distributions declared, made or paid after the date of issue.

The Placing is conditional, among other things, upon Admission becoming effective. The Placing is also conditional upon the placing agreement between the Group and Numis (the "Placing Agreement") not being terminated.

Application has been made for the New Ordinary Shares to be admitted to the premium listing segment of the Official List (the "Official List") of the Financial Conduct Authority (the "FCA") and to be admitted to trading on the main market for listed securities of the London Stock Exchange plc (the "London Stock Exchange") (together, "Admission"). Settlement for the New Ordinary Shares and Admission is expected to take place on or around 8.00 a.m. on 28 December 2016.

This Announcement (including the Appendix) should be read in its entirety.

Substantial Shareholder participation and Related Party Transactions

Exponent and Toscafund are each separately classified as a related party of the Group by virtue of being substantial shareholders as defined in Listing Rule 11.1.4A. The participations of Exponent and Toscafund are disclosed below as required under Listing Rule 11.1.10.

In consideration for the issue of the New Ordinary Shares disclosed below, Exponent and Toscafund will each contribute gross proceeds of approximately £6.5 million.

Shareholder	Number of existing ordinary shares held before Admission	Per cent of existing ordinary shares held prior to Admission	No. of ordinary shares subscribed for at the Placing Price	No. of ordinary shares held immediately following Admission	Per cent of issued ordinary shares held immediately following Admission
Exponent	77,959,090	50.37%	7,722,619	85,681,709	50.34%
Toscafund	35,653,055	23.04%	7,722,619	43,375,674	25.48%

Each of the subscriptions in the table above constitutes a smaller related party transaction as defined in Listing Rule 11.1.10.

Total Voting Rights

The Group's enlarged issued share capital immediately following the issue of the New Ordinary Shares will be 170,207,142 ordinary shares of £0.01 each. There are no shares held in treasury and therefore the total number of voting rights in the Group immediately following the issue of the New Ordinary Shares will be 170,207,142. This figure may be used by shareholder as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change in interest in, the share capital of the Group under the Disclosure and Transparency rules.

For further information please contact:

HSS Hire Group plc

John Gill, Chief Executive Officer
Paul Qusted, Chief Financial Officer
Robert Halls, Investor Relations Manager

Tel: 020 7638 9571

Numis Securities Limited

Stuart Skinner
Michael Burke
Hugo Rubinstein

Tel: 0207 260 1000

Citigate Dewe Rogerson

Simon Rigby
Kevin Smith
Nick Hayns

Tel: 020 7638 9571

Note to editors

HSS Hire Group plc provides tool and equipment hire and related services in the UK and Ireland through a nationwide network of over 310 locations. Focusing primarily on the maintain and operate segments of the market, over 90% of its revenues come from business customers. HSS is listed on the Main Market of the London Stock Exchange. For more information please see www.hsshiregroup.com.

DEFINITIONS USED IN THIS ANNOUNCEMENT

"Admission"	means admission of the Placing Shares to the Official List becoming effective in accordance with the Listing Rules and the admission of such shares to trading on the London Stock Exchange's main market for listed securities becoming effective in accordance with the Admission and Disclosure Standards;
"Admission and Disclosure Standards"	the "Admission and Disclosure Standards" of the London Stock Exchange containing, among other things, the admission requirements to be observed by companies seeking admission to trading on the London Stock Exchange's main market for listed securities;
"Board" or "Directors"	the directors of the Company;
"Business Day"	a day (excluding Saturdays, Sundays or public holidays in England and Wales) on which banks generally are open in London for the transaction of business;

"certificated" or "in certificated form"	where a security is not held in uncertificated form (i.e. not in CREST);
"Company" or "HSS"	HSS Hire Group plc;
"CREST"	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as defined in the CREST Regulations);
"CREST Regulations"	the Uncertificated Securities Regulations 2001 (SI 2001/3755);
"Euroclear"	Euroclear UK & Ireland Limited, the operator of CREST;
"Existing Shares"	the 154,761,904 Ordinary Shares in issue as at the date of this document;
"FCA"	the Financial Conduct Authority of the United Kingdom;
"FSMA"	the Financial Services and Markets Act 2000 (as amended);
"Group"	the Company and its subsidiary undertakings;
"Listing Rules"	the Listing Rules made by the FCA under Part VI of FSMA;
"London Stock Exchange"	London Stock Exchange plc;
"Numis"	Numis Securities Limited, registered in England and Wales with number 2285918, whose registered office is at 10 Paternoster Square, London EC4M 7LT;
"Official List"	the Official List of the FCA pursuant to Part VI of FSMA;
"Ordinary Shares" or "HSS Shares"	the ordinary shares of £0.01 in the capital of the Company;
"Placees"	the placees procured by Numis pursuant to the Placing Agreement who also agree to subscribe for the Placing Shares;
"Placing"	the placing of Placing Shares as described in this document;
"Placing Agreement"	the agreement relating to the Placing dated 22 December 2016 between the Company and Numis;
"Placing Price"	83.875 pence per Placing Share;
"Placing Shares"	the 15,445,238 new Ordinary Shares to be issued pursuant to the Placing;

"Prospectus Directive"	the Directive of the European Parliament and of the Council of the European Union 2003/71/EC;
"Regulation S"	Regulation S under the Securities Act
"Securities Act"	the US Securities Act of 1933, as amended;
"Shareholders"	holders of Ordinary Shares;
"uncertificated" or "in uncertificated form"	recorded on the register of members of the Company as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST;
"United Kingdom" or "UK"	the United Kingdom of Great Britain and Northern Ireland; and
"United States" or "US"	the United States of America, its territories and possessions and the District of Columbia.

APPENDIX - TERMS AND CONDITIONS OF THE PLACING

IMPORTANT INFORMATION FOR PLACEES ONLY

MEMBERS OF THE PUBLIC ARE NOT ELIGIBLE TO TAKE PART IN THE PLACING. THIS DOCUMENT AND THE TERMS AND CONDITIONS SET OUT AND REFERRED TO HEREIN ARE DIRECTED ONLY AT PERSONS SELECTED BY NUMIS SECURITIES LIMITED ("**NUMIS**"), WHO ARE (A) PERSONS IN MEMBER STATES OF THE EUROPEAN ECONOMIC AREA WHO ARE "QUALIFIED INVESTORS", AS DEFINED IN ARTICLE 2.1(E) OF DIRECTIVE 2003/71/EC AS AMENDED (THE "**PROSPECTUS DIRECTIVE**") AND (B) IF IN THE UNITED KINGDOM, PERSONS WHO (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 "**FPO**") OR FALL WITHIN THE DEFINITION OF "HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS ETC" IN ARTICLE 49(2)(A) TO (D) OF THE FPO AND (II) ARE "QUALIFIED INVESTORS" AS DEFINED IN SECTION 86 OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 ("**FSMA**") OR (C) OTHERWISE TO PERSONS TO WHOM IT MAY OTHERWISE LAWFULLY BE COMMUNICATED (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS "**RELEVANT PERSONS**"). THIS DOCUMENT AND THE TERMS AND CONDITIONS SET OUT HEREIN MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS.

DISTRIBUTION OF THIS DOCUMENT IN CERTAIN JURISDICTIONS MAY BE RESTRICTED OR PROHIBITED BY LAW. PERSONS DISTRIBUTING THIS DOCUMENT MUST SATISFY THEMSELVES THAT IT IS LAWFUL TO DO SO.

The new Ordinary Shares in the capital of the Company that are the subject of the Placing (the "**Placing Shares**") have not been and will not be registered under the Securities Act of 1933, as amended (the "**Securities Act**") or under the securities laws of any state or other jurisdiction of the United States and may not be offered, sold, resold or delivered, directly or indirectly, in or into the United States absent registration except pursuant to an exemption from or in a transaction not subject to the registration requirements of the Securities Act. No public offering of the Placing Shares is being made in the United States. The Placing (as defined below) is being made outside the United States in offshore transactions (as defined in and pursuant to Regulation S. Persons receiving this document (including custodians, nominees and trustees) must not forward, distribute, mail or otherwise transmit it in or into the United States or use the United States mails, directly or indirectly, in connection with the Placing.

This document does not constitute an offer to sell or issue or a solicitation of an offer to buy or subscribe for Placing Shares in any jurisdiction including, without limitation, the United States, Canada, Australia, Japan, the Republic of South Africa or any other jurisdiction in which such offer or solicitation is or may be unlawful (a "**Prohibited Jurisdiction**"). This document and the information contained herein are not for publication or distribution, directly or indirectly, to persons in a Prohibited Jurisdiction unless permitted pursuant to an exemption under the relevant local law or regulation in any such jurisdiction. No action has been taken by HSS Group plc (the "**Company**" or "**HSS**"), Numis, or any of their respective Affiliates (as defined below) that would permit an offer of the Placing Shares or possession or distribution of this document or any other publicity material relating to such Placing Shares in any jurisdiction where action for that purpose is required. Persons receiving this document are required to inform themselves about and to observe any such restrictions.

Persons (including, without limitation, nominees and trustees) who have a contractual or other legal

obligation to forward a copy of this document should seek appropriate advice before taking any action.

Any indication in this document of the price at which the ordinary shares of the Company have been bought or sold in the past cannot be relied upon as a guide to future performance. Persons needing advice should consult an independent financial adviser. No statement in this document is intended to be a profit forecast and no statement in this document 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.

Numis, which is authorised and regulated in the United Kingdom by the FCA, is acting for HSS and for no one else in connection with the Placing and will not be responsible to anyone other than HSS for providing the protections afforded to clients of Numis or for affording advice in relation to the Placing, or any other matters referred to herein.

By participating in the Placing, each person who is invited to and who chooses to participate in the Placing (a "**Placee**") by making or accepting an oral offer to take up Placing Shares is deemed to have read and understood this document in its entirety (including this Appendix) and to be providing the representations, warranties, undertakings, agreements and acknowledgements contained herein.

EACH PLACEE SHOULD CONSULT WITH ITS OWN ADVISERS AS TO LEGAL, REGULATORY, TAX, BUSINESS AND RELATED ASPECTS OF A PURCHASE OF PLACING SHARES.

Details of the Placing Agreement and the Placing Shares

The Company has today entered into a placing agreement (the "**Placing Agreement**") with Numis. Pursuant to the Placing Agreement, Numis has, subject to the terms set out therein, agreed to use reasonable endeavours, as agents of the Company, to procure Placees for the Placing Shares (the "**Placing**").

In accordance with the terms of the Placing Agreement and a subscription and transfer agreement between the Company, Numis and a Jersey incorporated subsidiary of the Company ("**Jersey SPV**") (the "**Subscription and Transfer Agreement**"), the allotment and issue of the Placing Shares to Placees by the Company will be in consideration for the transfer to the Company of certain shares in Jersey SPV by Numis.

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

The Placing Shares will be issued free of any encumbrance, lien or other security interest.

Application for listing and admission to trading

Application will be made to the FCA for admission of the Placing Shares to the premium segment of the Official List maintained by the FCA in accordance with section 74(1) of FSMA for the purposes of part 4A of FSMA and to the London Stock Exchange plc (the "**London Stock Exchange**") for admission to trading of the Placing Shares on the London Stock Exchange's main market for listed securities ("**Admission**"). It is expected that Admission will become effective on or around 8.00 a.m. on 28 December 2016 and that dealings in the Placing Shares will commence at that time.

Participation in, and principal terms of, the Placing

Numis (whether through itself or any of its affiliates) is arranging the Placing as Sponsor, and Broker of the Company for the purpose of using reasonable endeavours to procure Placees at the Placing Price for the Placing Shares.

Participation in the Placing will only be available to persons who may lawfully be, and are, invited to participate by Numis. Numis and its affiliates may participate in the Placing as principal.

Each Placee which confirms its agreement to Numis (whether orally or in writing) to subscribe for Placing Shares under the Placing hereby agrees with Numis that it will be bound by these terms and conditions and will be deemed to have irrevocably accepted them.

Each Placee's allocation will be confirmed to Placees orally by Numis, and a trade confirmation or contract note will be despatched as soon as possible thereafter. The oral confirmation to such Placee will constitute an irrevocable legally binding commitment upon such person (who will at that point become a Placee) in favour of Numis and the Company, under which it agrees to acquire the number of Placing Shares allocated to it at the Placing Price on these terms and conditions and in accordance with the Company's Articles of Association.

Irrespective of the time at which a Placee's allocation pursuant to the Placing is 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".

All obligations under the Placing will be subject to fulfilment or (where applicable) waiver of, amongst other things, the conditions referred to below under "Conditions of the Placing" and to the Placing not being terminated on the basis referred to below under "Right to terminate under the Placing Agreement".

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.

Each Placee's obligations will be owed to the Company and to Numis. Following the oral confirmation referred to above, each Placee will also have an immediate, separate, irrevocable and binding obligation, owed to the Company and Numis as agent of the Company, to pay to Numis 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. Numis will procure the allotment of the Placing Shares to each Placee, effecting the necessary transfer to the Company of shares in Jersey SPV following each Placee's payment to Numis of such amount.

To the fullest extent permissible by law, none of Numis, any holding company thereof, any subsidiary thereof, any subsidiary of any such holding company, any branch, affiliate or associated undertaking of any such company nor any of their respective directors, officers and employees (each an "**Affiliate**") nor any person acting on their behalf shall have any liability to Placees (or to any other person whether acting on behalf of a Placee or otherwise). Each Placee acknowledges and agrees that the Company is responsible for the allotment of the Placing Shares to the Placees and Numis shall have no liability to the Placees for the failure of the Company to fulfil those obligations. No commissions will be paid to Placees or by Placees in respect of any Placing Shares.

All obligations of Numis under the Placing will be subject to fulfilment of the conditions referred to below under "Conditions of the Placing".

Conditions of the Placing

The Placing is conditional upon the Placing Agreement becoming unconditional and not having been terminated in accordance with its terms.

The obligations of Numis under the Placing Agreement are conditional, *inter alia*, on:

1. the warranties on the part of the Company contained in the Placing Agreement being true and accurate in all material respects and not misleading on and as of the date of the Placing Agreement and on Admission, as though they had been given and made on such date by reference to the facts and circumstances then subsisting;
2. the performance by the Company of its obligations under the Placing Agreement to the extent that they fail to be performed prior to Admission;
3. no matter having arisen before Admission which might reasonably be expected to give rise to an indemnity claim under the Placing Agreement;
4. in the opinion of Numis, acting in good faith, there shall have been no material adverse change since the date of the Placing Agreement (whether or not foreseeable at the date of the Placing Agreement) before Admission; and
5. Admission occurring not later than 8.00 a.m. on 28 December 2016 or such later time as Numis may agree in writing with the Company (but in any event not later than 8.00 a.m. on 31 December 2016).

If (a) the conditions are not fulfilled (or to the extent permitted under the Placing Agreement waived by Numis), or (b) the Placing Agreement is terminated in the circumstances specified below, the Placing will lapse and each Placee's rights and obligations hereunder shall cease and determine at such time and no claim may be made by a Placee in respect thereof. None of Numis, the Company, nor any of their respective Affiliates 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 it may make as to whether or not to waive or to extend the time and/or date for the satisfaction of any condition in the Placing Agreement or in respect of the Placing generally.

By participating in the Placing, each Placee agrees that its rights and obligations hereunder terminate only in the circumstances described below under "Right to terminate under the Placing Agreement", and will not be capable of rescission or termination by the Placee.

Right to terminate under the Placing Agreement

Numis may, at any time before Admission, terminate the Placing Agreement by giving notice to the Company if, *inter alia*:

1. it comes to the knowledge of Numis that any of the warranties was untrue, inaccurate or misleading in any material respect; or
2. it comes to the notice of Numis that any statement contained in this announcement is or has become untrue or incorrect in any material respect or is misleading as a result of a new matter or change; or
3. the Company or Jersey SPV shall fail to comply, in any material respect with any of its

obligations under the Placing Agreement or the Subscription and Transfer Agreement, as applicable; or

4. there has occurred a force majeure event which would make it inadvisable or impracticable to proceed with the placing or any material adverse change has occurred in the financial position or prospects or business of the Company and its subsidiary undertakings (taken as whole) which, in the opinion of Numis, would materially prejudice the success of the Placing.

By participating in the Placing, each Placee agrees with Numis that the exercise by Numis of any right of termination or other discretion under the Placing Agreement shall be within the absolute discretion of Numis without the need to make any reference to the Placees in this regard and that, to the fullest extent permitted by law, Numis shall not have any liability whatsoever to the Placees in connection with any such exercise.

No Prospectus

No offering document or prospectus has been or will be prepared in relation to the Placing and no such prospectus is required (in accordance with the Prospectus Directive) to be published and Placees' commitments will be made solely on the basis of the information contained in this document and any information previously published by or on behalf of the Company by notification to a Regulatory Information Service (as defined in the Listing Rules). Each Placee, by accepting a participation in the Placing, agrees that the content of this document is exclusively the responsibility of the Company and confirms to Numis and the Company that it has neither received nor relied on any information, representation, warranty or statement made by or on behalf of Numis (other than the amount of the relevant Placing participation in the oral confirmation given to Placees and the trade confirmation referred to below), any of their respective Affiliates, any persons acting on its behalf or the Company and none of Numis any of its respective Affiliates, any persons acting on their behalf, nor the Company will be liable for the decision of any Placee to participate in the Placing based on any other information, representation, warranty or statement which the Placee may have obtained or received (regardless of whether or not such information, representation, warranty or statement was given or made by or on behalf of any such persons). By participating in the Placing, each Placee acknowledges to and agrees with Numis for itself and as agent for the Company that, except in relation to the information contained in this document, it has relied on its own investigation of the business, financial or other position of the Company in deciding to participate in the Placing. Nothing in this paragraph shall exclude the liability of any person for fraudulent misrepresentation.

Registration and settlement

Settlement of transactions in the Placing Shares (ISIN GB00BVFD4645) following Admission will take place within the CREST system, using the DVP mechanism, subject to certain exceptions. Numis reserves the right to require settlement for and delivery of the Placing Shares to Placees by such other means that they deem necessary, if delivery or settlement is not possible or practicable within the CREST system within the timetable set out in this document or would not be consistent with the regulatory requirements in the Placee's jurisdiction.

Each Placee allocated Placing Shares in the Placing will be sent a trade confirmation stating the number of Placing Shares allocated to it, the Placing Price, the aggregate amount owed by such Placee to Numis and settlement instructions. It is expected that such trade confirmation will be despatched on 22 December 2016 and that this will also be the trade date. Each Placee agrees that it will do all things necessary to ensure that delivery and payment is completed in accordance with either the standing CREST or certificated settlement instructions which it has in place with Numis.

It is expected that settlement will be on 28 December 2016 on a DVP basis in accordance with the instructions set out in the trade confirmation unless otherwise notified by Numis.

Interest is chargeable daily on payments not received from Placees on the due date in accordance with the arrangements set out above at the rate of two percentage points above the base rate of Barclays Bank Plc.

Each Placee is deemed to agree that if it does not comply with these obligations, Numis may sell any or all of the Placing Shares allocated to the Placee on such Placee's behalf and retain from the proceeds, for Numis' own account and profit, an amount equal to the aggregate amount owed by the Placee plus any interest due. The Placee will, however, remain liable for any shortfall below the aggregate amount owed by such Placee and it 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, the Placee 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 the Placee's name or that of its nominee or in the name of any person for whom the Placee is contracting as agent or that of a nominee for such person, such Placing Shares will, subject as provided below, be so registered free from any liability to PTM levy, stamp duty or stamp duty reserve tax. If there are any circumstances in which any other stamp duty or stamp duty reserve tax is payable in respect of the issue of the Placing Shares, neither Numis nor the Company shall be responsible for the payment thereof. 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):

1. represents and warrants that it has read and understood this document in its entirety (including this Appendix) and acknowledges that its participation in the Placing will be governed by the terms of this document (including this Appendix);
2. acknowledges that no prospectus or offering document has been or will be prepared in connection with the Placing and it has not received and will not receive a prospectus or other offering document in connection with the Placing or the Placing Shares;
3. agrees to indemnify on an after-tax basis and hold harmless each of the Company, Numis, their respective Affiliates and any person acting on their behalf 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 in this document and further agrees that the provisions of this document shall survive after completion of the Placing;
4. acknowledges that the new Placing Shares of the Company will be admitted to the Official List of the UK Listing Authority and admitted to trading on the main market of the London Stock Exchange, and the Company is therefore required to publish certain business and financial information in accordance with the rules and practices of the London Stock Exchange/FCA (collectively, the "**Exchange Information**") and that the Placee is able to obtain or access the Exchange Information without undue difficulty;

5. acknowledges that none of Numis, nor any of its respective Affiliates nor any person acting on their behalf has provided, and will not provide it with any material or information regarding the Placing Shares or the Company; nor has it requested any of Numis, nor any of its respective Affiliates nor any person acting on their behalf to provide it with any such material or information;
6. acknowledges that the content of this document is exclusively the responsibility of the Company and that none of Numis, nor any of its respective Affiliates nor any person acting on their behalf will be responsible for or shall have any liability for any information, representation or statement relating to the Company contained in this document or any information previously published by or on behalf of the Company and none of Numis, nor any of its respective Affiliates nor any person acting on their behalf will be liable for any Placee's decision to participate in the Placing based on any information, representation or statement contained in this document or otherwise. Each Placee further represents, warrants and agrees that the only information on which it is entitled to rely and on which such Placee has relied in committing to subscribe for the Placing Shares is contained in this document and any Exchange Information, such information being all that it deems necessary to make an investment decision in respect of the Placing Shares, and that it has relied on its own investigation with respect to the Placing Shares and the Company in connection with its decision to subscribe for the Placing Shares and acknowledges that it is not relying on any investigation that any if Numis, any of its respective Affiliates or any person acting on their behalf may have conducted with respect to the Placing Shares or the Company and none of such persons has made any representations to it, express or implied, with respect thereto;
7. acknowledges that 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 had sufficient time to consider and conduct its own investigation with respect to the offer and subscription for the Placing Shares, including the tax, legal and other economic considerations and 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;
8. represents and warrants that it has neither received nor relied on any confidential price sensitive information concerning the Company in accepting its invitation to participate in the Placing;
9. acknowledges that it has not relied on any information relating to the Company contained in any research reports prepared by Numis, its respective Affiliates or any person acting on its or any of their respective Affiliates' behalf and understands that (i) none of Numis, nor any of its respective Affiliates nor any person acting on their behalf has or shall have any liability for public information or any representation; (ii) none of Numis, nor any of its respective Affiliates, nor any person acting on their behalf has or shall have any liability for any additional information that has otherwise been made available to such Placee, whether at the date of publication, the date of this document or otherwise; and that (iii) none of Numis, nor any of its respective Affiliates, nor any person acting on their behalf makes any representation or warranty, express or implied, as to the truth, accuracy or completeness of such information, whether at the date of publication, the date of this document or otherwise;

- 10.** represents and warrants that (i) it is entitled to acquire the Placing Shares under the laws and regulations of all relevant jurisdictions which apply to it; (ii) it has fully observed such laws and regulations and obtained all such governmental and other guarantees and other consents and authorities which may be required thereunder and complied with all necessary formalities; (iii) it has all necessary capacity to commit to participation in the Placing and to perform its obligations in relation thereto and will honour such obligations; (iv) it has paid any issue, transfer or other taxes due in connection with its participation in any territory; and (v) it has not taken any action which will or may result in the Company, Numis, any of their respective Affiliates or any person acting on their behalf being in breach of the legal and/or regulatory requirements of any territory in connection with the Placing;
- 11.** represents and warrants that it understands that the Placing Shares have not been and will not be registered under the Securities Act or under the securities laws of any state or other jurisdiction of the United States and may only be acquired in "offshore transactions" as defined in and pursuant to Regulation S or in transactions exempt from or not subject to the registration requirements of the Securities Act;
- 12.** represents and warrants that its acquisition of the Placing Shares has been or will be made in an "offshore transaction" as defined in and pursuant to Regulation S;
- 13.** represents and warrants that it will not offer or sell, directly or indirectly, any of the Placing Shares in the United States except in accordance with Regulation S or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act;
- 14.** represents and warrants that, if it is a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, the Placing Shares purchased 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 European Economic Area which has implemented the Prospectus Directive other than "qualified investors" as defined in Article 2.1(e) of the Prospectus Directive, or in circumstances in which the prior consent of Numis has been given to the offer or resale;
- 15.** represents and warrants that it has not offered or sold and will not offer or sell any Placing Shares to the public in any member state of the European Economic Area except in circumstances falling within Article 3(2) of the Prospectus Directive which do not result in any requirement for the publication of a prospectus pursuant to Article 3 of the Prospectus Directive;
- 16.** represents and warrants that it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) relating to the Placing Shares in circumstances in which it is permitted to do so pursuant to section 21 of FSMA;
- 17.** represents and warrants that it has complied and will comply with all applicable provisions of FSMA with respect to anything done by it in relation to the Placing Shares in, from or otherwise involving the United Kingdom;
- 18.** represents and warrants that it has complied with its obligations in connection with money laundering and terrorist financing under the Criminal Justice Act 1993, the Market Abuse Regulation, the Proceeds of Crime Act 2002 (as amended), the Terrorism Act 2000, the

Terrorism Act 2006, the Anti-terrorism Crime and Security Act 2001, the Money Laundering Regulations (2007) (the "**Regulations**") and the Money Laundering Sourcebook of the FCA and, if it is 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;

19. if in the United Kingdom, represents and warrants that it is (a) a person falling within Article 19(5) of the FPO or (b) a person falling within Article 49(2)(a) to (d) of the FPO 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;
20. if in the United Kingdom, represents and warrants that it is a qualified investor as defined in section 86(7) of FSMA, being a person falling within Article 2.1(e)(i), (ii) or (iii) of the Prospectus Directive;
21. represents and warrants that its participation in the Placing would not give rise to an offer being required to be made by it or any person with whom it is acting in concert pursuant to Rule 9 of the City Code on Takeovers and Mergers;
22. undertakes that it (and any person acting on its behalf) will pay for the Placing Shares acquired by it in accordance with this document on the due time and date set out herein against delivery of such Placing Shares to it, failing which the relevant Placing Shares may be placed with other Placees or sold as Numis may, in its absolute discretion, determine 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 document) which may arise upon the sale of such Placee's Placing Shares on its behalf;
23. acknowledges that none of Numis, nor any of its Affiliates nor any person acting on their behalf is making any recommendations to it or advising it regarding the suitability or merits of any transaction it may enter into in connection with the Placing, and acknowledges that none of Numis, nor any of its Affiliates nor any person acting on their behalf has any duties or responsibilities to it for providing advice in relation to the Placing or in respect of any representations, warranties, undertakings or indemnities contained in the Placing Agreement or for the exercise or performance of any Numis' rights and obligations thereunder, including any right to waive or vary any condition or exercise any termination right contained therein;
24. undertakes that (i) the person whom it specifies for registration as holder of the Placing Shares will be (a) the Placee or (b) the Placee's nominee, as the case may be, (ii) neither Numis nor the Company will be responsible for any liability to stamp duty or stamp duty reserve tax resulting from a failure to observe this requirement and (iii) the Placee and any person acting on its behalf agrees to acquire the Placing Shares on the basis that the Placing Shares will be allotted to the CREST stock account of Numis which will hold them as settlement agent as nominee for the Placee until settlement in accordance with its standing settlement instructions with payment for the Placing Shares being made simultaneously upon receipt of the Placing Shares in the Placee's stock account on a delivery versus payment basis;
25. acknowledges that any agreements entered into by it pursuant to these terms and

conditions, and any non-contractual obligations arising out of or in connection with such agreements, shall be governed by and construed in accordance with the laws of England and Wales 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 courts of England and Wales as regards any claim, dispute or matter arising out of any such contract;

- 26.** acknowledges that it irrevocably appoints any director of Numis as its agent for the purposes 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 agreed to be taken up by it under the Placing;
- 27.** represents and warrants that it is not a resident of any Prohibited Jurisdiction and acknowledges that the Placing Shares have not been and will not be registered nor will a prospectus be cleared in respect of the Placing Shares under the securities legislation of any Prohibited Jurisdiction and, subject to certain exceptions, may not be offered, sold, taken up, renounced, delivered or transferred, directly or indirectly, within any Prohibited Jurisdiction;
- 28.** represents and warrants that any person who confirms to Numis on behalf of a Placee an agreement to subscribe for Placing Shares and/or who authorises Numis to notify the Placee's name to the Company's registrar, has authority to do so on behalf of the Placee;
- 29.** acknowledges that the agreement to settle each Placee's acquisition of Placing Shares (and/or the acquisition of a person for whom it 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 of the Placing Shares in question. Such agreement assumes that the Placing Shares are not being acquired in connection with arrangements to issue depository receipts or to issue or transfer the Placing Shares into a clearance service. If there were any such arrangements, or the settlement related to other dealing in the Placing Shares, stamp duty or stamp duty reserve tax may be payable, for which neither the Company nor Numis will be responsible. If this is the case, the Placee should take its own advice and notify Numis accordingly;
- 30.** acknowledges that the Placing Shares will be issued and/or transferred subject to the terms and conditions set out in this document (including this Appendix);
- 31.** acknowledges that when a Placee or any person acting on behalf of the Placee is dealing with Numis, any money held in an account with Numis 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. 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 Numis' money in accordance with the client money rules and will be used by Numis in the course of its business; and the Placee will rank only as a general creditor of Numis;
- 32.** acknowledges and understands that the Company, Numis, and others will rely upon the truth and accuracy of the foregoing representations, warranties, agreements, undertakings and acknowledgements;
- 33.** acknowledges that the basis of allocation will be determined by Numis at its absolute discretion. The right is reserved to reject in whole or in part and/or scale back any

participation in the Placing;

- 34.** irrevocably authorises the Company and Numis to produce this announcement pursuant to, in connection with, or as maybe required by any applicable law or regulation, administrative or legal proceeding or official inquiry with respect to the matters set forth herein; and
- 35.** that its commitment to subscribe for Placing Shares on the terms set out herein will continue notwithstanding any amendment that may in future be made to the terms 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 conduct of the Placing.

The acknowledgements, agreements, undertakings, representations and warranties referred to above are given to each of the Company and Numis (for their own benefit and, where relevant, the benefit of their respective Affiliates and any person acting on their behalf) and are irrevocable.

No claim shall be made against the Company, Numis, their respective Affiliates or any other person acting on behalf of any of such persons by a Placee to recover any damage, cost, charge or expense which it may suffer or incur by reason of or arising from the carrying out by it of the work to be done by it pursuant hereto or the performance of its obligations hereunder or otherwise in connection with the Placing.

No UK stamp duty or stamp duty reserve tax should be payable to the extent that the Placing Shares are issued or transferred (as the case may be) into CREST to, or to the nominee of, a Placee who holds those shares beneficially (and not as agent or nominee for any other person) within the CREST system and registered in the name of such Placee or such Placee's nominee.

Any arrangements to issue or transfer the Placing Shares into a depositary receipts system or a clearance service or to hold the Placing Shares as agent or nominee of a person to whom a depositary receipt may be issued or who will hold the Placing Shares in a clearance service, or any arrangements subsequently to transfer the Placing Shares, may give rise to stamp duty and/or stamp duty reserve tax, for which neither the Company nor Numis will be responsible and the Placee to whom (or on behalf 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 stamp duty or stamp duty reserve tax undertakes to pay such stamp duty or stamp duty reserve tax forthwith and to indemnify on an after-tax basis and to hold harmless the Company and Numis in the event that any of the Company and/or Numis has incurred any such liability to stamp duty or stamp duty reserve tax.

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 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.

All times and dates in this document may be subject to amendment. Numis shall notify the Placees and any person acting on behalf of the Placees of any such changes.

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

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

Each Placee and any person acting on behalf of the Placee acknowledges and agrees that Numis or any of their Affiliates may, at their absolute discretion, agree to become a Placee in respect of some or all of the Placing Shares.

The rights and remedies of Numis and the Company under these terms and conditions are in addition to any rights and remedies which would otherwise be available to each of them and the exercise or partial exercise or partial exercise of one will not prevent the exercise of others.

Each Placee may be asked to disclose in writing or orally to Numis:

- (a) if he is an individual, his nationality; or
- (b) if he is a discretionary fund manager, the jurisdiction in which the funds are managed or owned.