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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF THE MARKET ABUSE REGULATION (596/2014/EU) ("MAR"). IN ADDITION, MARKET SOUNDINGS (AS DEFINED IN MAR) WERE TAKEN IN RESPECT OF CERTAIN OF THE MATTERS CONTAINED IN THIS ANNOUNCEMENT, WITH THE RESULT THAT CERTAIN PERSONS BECAME AWARE OF SUCH INSIDE INFORMATION, AS PERMITTED BY MAR. UPON THE PUBLICATION OF THIS ANNOUNCEMENT, THIS INSIDE INFORMATION IS NOW CONSIDERED TO BE IN THE PUBLIC DOMAIN AND SUCH PERSONS SHALL THEREFORE CEASE TO BE IN POSSESSION OF INSIDE INFORMATION.

30 January 2019

Cloudcall Group plc
("Cloudcall" or the "Company")
Proposed placing to raise a minimum of £2.0 million
and
Proposed refinancing of its debt facility

CloudCall Group plc (AIM: CALL), a leading cloud-based software business that integrates communications technology into Customer Relationship Management ("CRM") platforms announces a placing of new ordinary shares of 20p each in the share capital of the Company (the "Ordinary Shares") (the "Placing Shares") at a price of no less than 100p per Placing Share to raise a minimum of £2.0 million before expenses ("the Placing"). The Placing, conducted by way of an accelerated bookbuild, will be launched immediately following the release of this Announcement.

Transaction Highlights

- Placing to raise a minimum of £2.0 million (before expenses) to certain new and existing institutional investors at a price of not less than 100p per Placing Share
- Arden Partners plc ("Arden") is acting as broker and bookrunner to the Company on the Placing
- The Placing will be conducted by way of an accelerated bookbuild, launched immediately following release of this Announcement in accordance with the terms and conditions set out in the appendix ("Appendix") to this Announcement, and which is expected to close no later than 4.30 p.m. (GMT) today (the "Bookbuild")
- The Placing Shares to be issued pursuant to the Placing will rank *pari passu* with the existing Ordinary Shares
- The net proceeds of the Placing will be used to invest in sales and marketing to support the Company's development of its new messaging products based around SMS and strengthen the Company's balance sheet to further de-risk its growth and expansion plans
- The Company is in advanced discussions with a number of lenders with a view to replacing its existing £1.8m debt facility with a new extended facility

Further details of the Placing

The Placing, which will be undertaken by way of the Bookbuild, will be made available to eligible existing and new institutional shareholders. Arden is acting as sole bookrunner and broker on the Placing. The timing of the closing of the Bookbuild will be at the sole discretion of Arden. The completion of the Bookbuild containing details of the Placing Price and the number of Placing Shares to be issued will be announced as soon as practicable.

The Placing is subject to the terms and satisfaction of certain conditions set out in the Appendix. No element of the Placing is being underwritten.

Under the terms of the Placing, Arden intends to place the Placing Shares (on behalf of the Company) with eligible existing and new institutional shareholders. Members of the public are not entitled to participate in the Placing.

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

Admission

Application will be made for the Placing Shares to be admitted to trading on AIM, a market operated by London Stock Exchange plc ("London Stock Exchange").

Admission and commencement of dealings in the Placing Shares is expected to take place on or around 8.00 a.m. on 5 February 2019 and dealings in the Placing Shares will commence at that time. Settlement is expected to occur by no later than 10.00 a.m. on 5 February 2019. The Placing is conditional on, *inter alia*, the Placing Agreement becoming unconditional in all respects and not being terminated in accordance with its terms, and Admission becoming effective on or before 8.00 a.m. on 5 February 2019 (or such later time and/or date as the Company and Arden may agree in writing).

As noted below in the paragraph entitled "Dealing and Settlement", upon Admission, the new Placing Shares will be held in the CREST system with the ISIN GB00B4XS5145.

The Appendix sets out further information relating to the Placing and the full Terms and Conditions of the Placing.

This Announcement should be read in its entirety. In particular, you should read and understand the information provided in the "Important Notices" section of this Announcement and the detailed Terms and Conditions and additional information relating to the Placing described in the Appendix.

Background to and reasons for the Placing

CloudCall is a leading cloud-based software business that integrates communications technology into CRM platforms.

Following the Company's equity fundraise completed in November 2017, the Company has made a number of significant investments in its platform architecture, product and services, and sales and marketing capabilities. Due to the nature of Software-as-a-Service ("SaaS") businesses, these

investments were not expected to materially contribute to Group revenue growth in 2018, given the typical lag-time between investment and sales. However, in the latter stages of 2018, the Company was pleased to see that projected impact starting to come through in the form of a growing order book which will contribute toward a strong start to 2019.

2018 also saw the Company launch its SMS messaging services which, together with the existing voice service, has enabled CloudCall to become a true 'unified communications' provider capable of delivering significantly more functionality to its customers. Despite only launching in the second half of 2018, the uptake of users adopting paid-for one-to-one SMS messaging services is already approximately 5%.

2018 also saw the Company greatly enhance its integration with Microsoft Dynamics 365 which, supported by an attractive partner programme, is expected to deliver further growth opportunities in 2019 and beyond.

The Company's relationship with Bullhorn enters a new and exciting phase, as it embarks upon new joint marketing and sales initiatives, not only with regards to how the Company approaches new customers, but also for the first time working specifically with Bullhorn's account management teams able to generate sales commission from recommending CloudCall. Incentives to actively refer CloudCall to their existing customers means that Bullhorn account managers are directly encouraged to generate leads for the Company.

The Company continues to engage with new potential clients and confirms that it expects to integrate with a number of additional CRMs in 2019.

The Company issued a trading update on 15 January 2019 in which the Company made the following comment regarding its recurring revenue performance and cash reserves:

Recurring revenues in H2 2018 grew 34% compared to H2 2017, increasing to a level that is now two and a half times greater than the level seen in H1 2016.

At 31 December 2018, the Company had available cash reserves of £2.75m, made up of £0.9m of its own cash and an undrawn facility of £1.85m. Cash reserves decreased by approximately £1.5m in H2 2018, compared to £2.5m in H1 2018, and the Company is already well advanced in preparations for its 2018 R&D tax credit claim which is expected to bring in an additional £0.75m of headroom in mid-2019.

Further to its recent trading statement on 15 January 2019, the Company hosted a well-attended capital markets day for investors on 17 January 2019, during which it took the opportunity to present some of its key SaaS performance metrics. Following feedback from attendees at the capital markets day, the Board has concluded that it is appropriate to increase the Company's cash reserves through the Placing.

Performance metrics

The Company wishes to provide the following updated performance data regarding new users (all figures are per single new user):

- Net onboarding income: £86
- Net monthly recurring subscription income (@78% margin): £22
- Upfront acquisition cost (sales and marketing): £270
- Implied lifespan (based on churn data): 8 years
- Lifetime support and account management cost: £310
- Net lifetime income (Lifetime Value): £2,000

- Payback period: 8 months
- LTV (lifetime value) / CAC (customer acquisition cost) ratio: 7.4
- Average initial contract length: 2 years
- CloudCall is currently signing up over 800 new users per month from new customers generating value of £1.6 million over their lifetime.
- New users signed up from new customers have grown as follows: Q3 2017 – 404, Q4 2017 – 250, Q1 2018 – 382, Q2 2018 – 363, Q3 2018 – 535, Q4 2018 - 828

The Company also provides further insight into its customer base at 31 December 2018:

- 31,343 users from 1,159 customers, with an average customer size of 27 users
- Recurring Revenues per User: £28 / month
- Bullhorn users account for 38% of the total, and Salesforce users 23%
- Revenue is split between the UK/US = 67%/33%
- Recurring revenue from existing users increased by a net annual growth rate of approximately 5% (negative churn)

Proposed refinancing of debt facilities

The Company's current debt facility will require renewing in July 2020. The Board feel it is prudent to refinance this facility early in order achieve the best financing structure and terms available to the Company. The Board remains of the view that the optimal structure is one of a mixture of debt and equity. The Company is in advanced discussions with a number of lenders for new, extended debt facilities to replace its existing facility.

Use of proceeds

The gross proceeds of the Placing, if fully subscribed, are expected to be a minimum of £2.0 million. The net proceeds of the Placing will be used to invest in sales and marketing to support the Company's development of its new messaging products based around SMS and strengthen the Company's balance sheet to further de-risk its growth and expansion plans.

The Placing

The Placing Agreement

Pursuant to the Placing Agreement, Arden has conditionally agreed to use its reasonable endeavours to procure subscribers for the Placing Shares and to place the Placing Shares at the Placing Price. Details of the final number of Placing Shares, the Placing Price and the gross proceeds of the Placing will be announced as soon as practicable after the closing of the Bookbuild. The Placing is not being underwritten by Arden or any other party.

The Placing Agreement contains certain customary warranties from the Company in favour of Arden in relation to, *inter alia*, certain matters relating to the Company and its business. In addition, the Company has agreed to indemnify Arden in relation to certain liabilities it may incur in respect of the

Placing. Arden has the right to terminate the Placing Agreement in certain circumstances prior to Admission including, without limitation, in the event of any material breach by the Company of its obligations under the Placing Agreement, the occurrence of a force majeure event or a material adverse change in the financial condition of the Company. Under the terms of the Placing Agreement the Company has agreed to pay Arden a commission based on the number of Placing Shares, which are the subject of the Placing, together with reimbursement of certain costs and expenses in connection with its appointment.

The Placing is subject to the terms and conditions set out in the Appendix.

US Securities Law Restrictions

This Announcement (including the Appendix) is not for publication or distribution, directly or indirectly, in or into the United States of America ("US"). This Announcement is not an offer of securities for sale into the US. The securities referred to herein have not been and will not be registered under the US Securities Act of 1933, as amended, and may not be offered or sold in the US, except pursuant to an applicable exemption from registration. No public offering of securities is being made in the US. This announcement is not for publication or distribution, directly or indirectly, in or into, Australia, Canada, Japan, the Republic of South Africa or any other jurisdiction in which such release, publication or distribution would be unlawful.

Dealing and Settlement

The Placing Shares will be allotted and issued fully paid and will, on issue, be identical in all respects to the Company's existing Ordinary Shares, free from all liens, charges and encumbrances of any kind. Application will be made to the London Stock Exchange for the Placing Shares to be admitted to trading on AIM, which is expected to occur on or around 5 February 2019.

Expected Timetable of Events

Announcement of the Placing	30 January 2019
Announcement of the closing of the Placing	No later than 4:30 p.m. on 30 January 2019
Trade date	1 February 2019
Admission and commencement of dealings in the Placing Shares on AIM	8.00 a.m. on 5 February 2019
Placing Shares credited to CREST members' accounts	5 February 2019

The times and dates above refer to London time and are subject to change by the Company. Any such change will be notified to shareholders by an announcement through a Regulatory Information Service.

Capitalised terms used but not defined in this Announcement shall have the meanings given to such terms in the section headed "Definitions" below, save that any capitalised term defined in the Appendix shall have such meaning in the Appendix to the exclusion, in the Appendix only, of any definition of such term elsewhere in this Announcement.

This Announcement contains inside information for the purposes of Article 7 of MAR. Upon the publication of this Announcement, this inside information is now considered to be in the public domain.

ENDS

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About CloudCall Group Plc

CloudCall is a software and unified communications business that has developed and provides a suite of cloud-based software and communications products and services. CloudCall's products and services are aimed at enabling organisations to leverage their customer data to enable more effective communications.

The CloudCall suite of software products allows companies to fully integrate telephony and messaging capability into their customer relationship management ("CRM") software, enabling communications to be made, recorded, logged and categorised from within the CRM system with detailed activity reporting and powerful business intelligence capable of being easily generated.

At the end of December 2018, the Company had approximately 150 staff based predominantly in Leicester and London (UK), Boston (US) and Minsk (BY), with just over 31,000 end-users relying on CloudCall technology to power their daily communications.

IMPORTANT NOTICE

The information contained in this Announcement is for information purposes only and does not purport to be full or complete. No reliance may be placed for any purpose on the information contained in this announcement or its accuracy, fairness or completeness.

This Announcement does not constitute a prospectus or offering memorandum or an offer in respect of any securities and is not intended to provide the basis for any decision in respect of the Company or other evaluation of any securities of the Company or any other entity and should not be considered as a recommendation that any investor should subscribe for or purchase any such securities.

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or liability is accepted by any of them for any such information or opinions or for any errors, omissions or misstatements, negligence or otherwise in this Announcement.

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

No representation or warranty, express or implied, is or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by Arden or by any of its affiliates or agents as to, or in relation to, the accuracy or completeness of this Announcement or any other written or oral information made available to or publicly available to any interested party or its advisers, and any liability therefore is expressly disclaimed.

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

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This Announcement contains (or may contain) certain forward-looking statements with respect to certain of the Company's current expectations and projections about future events and the Company's future financial condition and performance. These statements, which sometimes use words such as "aim", "anticipate", "believe", "may", "will", "should", "intend", "plan", "assume", "estimate", "expect" (or the negative thereof) and words of similar meaning, reflect the Directors' current beliefs and expectations and involve known and unknown risks, uncertainties and assumptions, many of which are outside the Company's control and difficult to predict, that could cause actual results and performance to differ materially from any expected future results or performance expressed or implied by the forward-looking statement. Any forward-looking statements made in this announcement by or on behalf of the Company speak only as of the date they are made. These forward looking statements reflect the Company's judgment at the date of this announcement and are not intended to give any assurance as to future results. Except as required by the FCA, 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 announcement 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

TERMS AND CONDITIONS OF THE PLACING

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

MEMBERS OF THE PUBLIC ARE NOT ELIGIBLE TO TAKE PART IN THE PLACING. THIS APPENDIX AND THE TERMS AND CONDITIONS SET OUT HEREIN ARE FOR INFORMATION PURPOSES ONLY AND ARE DIRECTED ONLY AT: (A) PERSONS WHO ARE IN A MEMBER STATE OF THE EUROPEAN ECONOMIC AREA AND ARE, UNLESS OTHERWISE AGREED BY THE BROKER, (“**QUALIFIED INVESTORS**”) AS DEFINED IN ARTICLE 2.1(E) OF THE EU PROSPECTUS DIRECTIVE (WHICH MEANS DIRECTIVE 2003/71/EC AND INCLUDES ANY RELEVANT IMPLEMENTING DIRECTIVE MEASURE IN ANY MEMBER STATE) (THE “**PROSPECTUS DIRECTIVE**”); AND (B) IN THE UNITED KINGDOM, PERSONS WHO ARE: (I) "INVESTMENT PROFESSIONALS" WITHIN THE MEANING OF ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005 (THE “**ORDER**”); (II) PERSONS FALLING WITHIN ARTICLE 49(2)(A) TO (D) ("HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS, ETC") OF THE ORDER; OR (III) 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. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS APPENDIX AND THE TERMS AND CONDITIONS SET OUT HEREIN RELATE IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS.

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EACH PLACEE SHOULD CONSULT WITH ITS OWN ADVISERS AS TO LEGAL, TAX, BUSINESS AND RELATED ASPECTS OF AN INVESTMENT IN PLACING SHARES. THE PRICE OF SHARES AND THE INCOME FROM THEM (IF ANY) MAY GO DOWN AS WELL AS UP AND INVESTORS MAY NOT GET BACK THE FULL AMOUNT INVESTED ON DISPOSAL OF SHARES.

The relevant clearances have not been, nor will they be, obtained from the securities commission of any province or territory of Canada; no prospectus has been lodged with or registered by the Australian Securities and Investments Commission or the Japanese Ministry of Finance or the South

African Reserve Bank; and the Placing Shares have not been, nor will they be, registered under or offered in compliance with the securities laws of any state, province or territory of Australia, Canada, Japan, the Republic of Ireland or the Republic of South Africa. Accordingly, the Placing Shares may not (unless an exemption under the relevant securities laws is applicable) be offered, sold, resold or delivered, directly or indirectly, in or into Australia, Canada, Japan, the Republic of Ireland, the Republic of South Africa or any other jurisdiction in which such offer, sale, resale or delivery would be unlawful.

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the Product Governance Requirements) may otherwise have with respect thereto, the Placing Shares have been subject to a product approval process, which has determined that the Placing Shares are: (i) compatible with an end target market of: (a) retail investors, (b) investors who meet the criteria of professional clients and (c) eligible counterparties (each as defined in MiFID II); and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, distributors should note that: the price of the Placing Shares may decline and investors could lose all or part of their investment; the Placing Shares offer no guaranteed income and no capital protection; and an investment in the Placing Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the offer.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Placing Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Placing Shares and determining appropriate distribution channels.

Persons (including, without limitation, nominees and trustees) who have a contractual or other legal obligation to forward a copy of this Appendix or the Announcement of which it forms part should seek appropriate advice before taking any action.

These terms and conditions apply to persons making an offer to acquire Placing Shares. Each Placee hereby agrees with the Broker and the Company to be bound by these terms and conditions as being the terms and conditions upon which Placing Shares will be issued or acquired. A Placee shall, without limitation, become so bound if the Broker confirms to such Placee its allocation of Placing Shares.

Upon being notified of its allocation of Placing Shares, a Placee shall be contractually committed to acquire the number of Placing Shares allocated to it at the Placing Price and, to the fullest extent permitted by law, will be deemed to have agreed not to exercise any rights to rescind or terminate or otherwise withdraw from such commitment.

In this Appendix, unless the context otherwise requires, “**Placee**” means a Relevant Person (including individuals, funds or others) on whose behalf a commitment to subscribe for or acquire Placing Shares has been given.

Details of the Placing Agreement and the Placing Shares

The Broker and the Company have entered into a Placing Agreement, under which the Broker has, on the terms and subject to the conditions set out therein, undertaken to use its reasonable endeavours to procure subscribers for up to 2,000,000 Placing Shares. It is expected that the Placing will raise, in aggregate, a minimum of £2.0 million in gross proceeds at a price of 100 pence per share with up to approximately 2,000,000 Placing Shares expected to be issued. The Placing is not being underwritten by the Broker or any other person.

The number of Placing Shares will be determined following completion of the Bookbuild as set out in this Announcement. The timing of the closing of the Bookbuild, the number of Placing Shares and allocations are at the discretion of the Broker and a further announcement confirming these details will be made in due course.

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

The Placing Shares will trade on AIM under IMMO with ISIN GB00B4XS5145.

Application for admission to trading

Application has been made to London Stock Exchange for admission to trading of the Placing Shares on AIM. It is expected that settlement of any such shares and Admission will become effective on or around 5 February 2019 and that dealings in the Placing Shares will commence at that time.

Bookbuild

The Broker will today commence an accelerated bookbuilding process to determine demand for participation in the Placing by potential Placees at the Placing Price. This Appendix gives details of the terms and conditions of, and the mechanics of participation in, the Placing. No commissions will be paid to Placees or by Placees in respect of any Placing Shares.

The Broker and the Company shall be entitled to effect the Placing by such alternative method to the Bookbuild as they may, in their sole discretion, determine.

Participation in, and principal terms of, the Placing are as follows:

- 1 The Broker is arranging the Placing as agent for, and broker of, the Company.
- 2 Participation in the Placing is only available to persons who are lawfully able to be, and have been, invited to participate by the Broker. The Broker is entitled to participate in the Placing as principal.
- 3 The Bookbuild will establish the number of Placing Shares to be issued at the Placing Price, which will be agreed between the Broker and the Company following completion of the Bookbuild. The number of Placing Shares will be announced on a Regulatory Information Service following the completion of the Bookbuild.

- 4 To bid in the Bookbuild, Placees should communicate their bid by telephone to their usual contact at the Broker. Each bid should state the number of Placing Shares which the prospective Placee wishes to subscribe for or purchase at the Placing Price. Bids may be scaled down by the Broker on the basis referred to in paragraph 8 below.
- 5 The timing of the closing of the Bookbuild will be at the discretion of Broker. The Company reserves the right to reduce or seek to increase the amount to be raised pursuant to the Placing, in its absolute discretion.
- 6 Each Placee's allocation will be confirmed to Placees orally, or by email, by the Broker following the close of the Bookbuild and a trade confirmation or contract note will be dispatched as soon as possible thereafter. The Broker's oral or emailed confirmation will give rise to an irrevocable, legally binding commitment by that person (who at that point becomes a Placee), in favour of the Broker and the Company, under which it agrees to acquire by subscription the number of Placing Shares allocated to it at the Placing Price and otherwise on the terms and subject to the conditions set out in this Appendix and in accordance with the Company's articles of association. Except with the Broker's consent, such commitment will not be capable of variation or revocation.
- 7 The Company will make a further announcement following the close of the Bookbuild detailing the number of Placing Shares to be issued at the Placing Price.
- 8 Subject to paragraphs 4 and 5 above, the Broker may choose not to accept bids and/or to accept bids, either in whole or in part, on the basis of allocations determined at its discretion (after consultation with the Company) and may scale down any bids for this purpose on such basis as it may determine. The Broker may also, notwithstanding paragraphs 4 and 5 above, subject to the prior consent of the Company, allocate Placing Shares after the time of any initial allocation to any person submitting a bid after that time.
- 9 A bid in the Bookbuild will be made on the terms and subject to the conditions in the Announcement (including this Appendix) and will be legally binding on the Placee on behalf of which it is made and except with the Broker's consent will not be capable of variation or revocation from the time at which it is submitted.
- 10 Except as required by law or regulation, no press release or other announcement will be made by the Broker or the Company using the name of any Placee (or its agent), in its capacity as Placee (or agent), other than with such Placee's prior written consent.
- 11 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".
- 12 All obligations of the Broker under the Placing will be subject to fulfilment of the conditions referred to below "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".
- 13 By participating in the Placing, each Placee agrees 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.
- 14 To the fullest extent permissible by law and the applicable rules of the Financial Conduct Authority, neither the Broker nor any of its affiliates shall have any liability to Placees (or to any other person whether acting on behalf of a Placee or otherwise whether or not a recipient of these terms and conditions) in respect of the Placing. Each Placee acknowledges and agrees

that the Company is responsible for the allotment of the Placing Shares to the Placees and the Broker and its affiliates shall have no liability to the Placees for the failure of the Company to fulfil those obligations. In particular, neither the Broker nor any of its affiliates shall have any liability (including to the extent permissible by law, any fiduciary duties) in respect of the Broker's conduct of the Placing.

Conditions of the Placing

The Broker's obligations under the Placing Agreement in respect of the Placing Shares are conditional on, inter alia:

- 1 the release of the Announcement to a Regulatory Information Service by no later than 3:30 p.m. on 30 January 2019;
- 2 the application and all other documents required to be submitted with the application being delivered to the London Stock Exchange not later than 4:30 p.m. on 30 February 2019;
- 3 the delivery by the Company to the Broker of certain documents required under the Placing Agreement;
- 4 the publication of an announcement announcing the results of the Placing through a Regulatory Information Service by no later than 4:30 p.m. on 30 January 2019 (or such later time and/or date as may be agreed in writing between the Company and the Broker);
- 5 the Company having fully performed their obligations under the Placing Agreement to the extent that such obligations fall to be performed prior to Admission;
- 6 none of the warranties given in the Placing Agreement being untrue or inaccurate or misleading in any respect at any time between the date of the Placing Agreement and Admission and no fact or circumstance having arisen which would render any of the warranties untrue or inaccurate or misleading in any material respect if it was repeated as at Admission;
- 7 the issue and allotment of the Placing Shares, conditional only upon Admission, by 5 February 2019 or such later time as may be agreed between the Company and the Broker, not being later than 26 February 2019;
- 8 Admission taking place no later than 8 am on 5 February 2019; and
- 9 the Placing Agreement not having been terminated by the Broker.

If: (i) any of the conditions contained in the Placing Agreement, including those described above, are not fulfilled or (where applicable) waived by the Broker by the respective time or date where specified (or such later time or date as the Broker may notify to the Company); (ii) any of such conditions becomes incapable of being fulfilled; or (iii) the Placing Agreement is terminated in the circumstances specified below, the Placing will not proceed and the Placees' rights and obligations hereunder in relation to the Placing Shares shall cease and terminate at such time and each Placee agrees that no claim can be made by the Placee in respect thereof.

The Broker may, at its discretion and upon such terms as it thinks fit, waive, or extend the period for, compliance by the Company with the whole or any part of any of the Company's obligations in relation to the conditions in the Placing Agreement save that the condition relating to Admission taking place

may not be waived. Any such extension or waiver will not affect Placees' commitments as set out in this Announcement.

Neither the Broker, 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 they may make as to whether or not to waive or to extend the time and/or date for the satisfaction of any condition to the Placing nor for any decision they may make as to the satisfaction of any condition or in respect of the Placing generally and by participating in the Placing each Placee agrees that any such decision is within the absolute discretion of the Broker.

Right to terminate the Placing Agreement

The Broker is entitled, at any time before Admission, to terminate the Placing Agreement by giving notice to the Company in certain circumstances, including, inter alia, if before Admission:

- 1 the Company is in breach of any provision of the Agreement, or with the requirements of any laws or regulations (including the Market Abuse Regulation and the AIM Rules) in relation to the Placing;
- 2 the Broker becomes aware of any circumstance which results in a breach of any of the warranties given in the Placing Agreement when given at the date of the Placing Agreement or which results in or might in the opinion of the Broker result in a breach of any of the warranties when deemed given;
- 3 the appointment of the Broker as agent of the Company is terminated for whatever reason;
- 4 it should come to the notice of the Broker that any statement contained in any of the Placing Documents (as defined in the Placing Agreement) is untrue, inaccurate or misleading which the Broker (acting reasonably) considers to be material or that matters have arisen which would, if the Placing Documents were issued at that time, constitute an omission therefrom which the Broker (acting reasonably) considers to be material, and such matter may not, in the opinion of the Broker (acting reasonably) be addressed by the publication of a further document or the making of an announcement;
- 5 in the opinion of the Broker (acting in good faith) any material adverse change in the financial or trading position or prospects of the Company or any Group Company has or will occur;
- 6 the application is refused by the London Stock Exchange;
- 7 a suspension of trading in securities generally on the London Stock Exchange or trading is limited or minimum prices established on such exchange; or
- 8 an event or other matter (including, without limitation, any change or development in economic, financial, political, diplomatic or other market conditions or any change in any government regulation) has occurred or is likely to occur which, in the opinion of the Broker acting in good faith, is (or will be if it occurs) likely materially and prejudicially to affect the financial position or the business or prospects of the Company or otherwise makes it impractical or inadvisable for the Broker to perform its respective obligations under the Placing Agreement; for these purposes 'market conditions' includes conditions affecting securities in the business sector in which the Company operates and conditions affecting securities generally.

The rights and obligations of the Placees will not be subject to termination by the Placees or any prospective Placees at any time or in any circumstances. By participating in the Placing, Placees agree that the exercise by the Broker of any right of termination or other discretion under the Placing Agreement shall be within the absolute discretion of the Broker and that the Broker need not make any reference to Placees in this regard and that neither the Broker nor any of its respective affiliates shall have any liability to Placees whatsoever in connection with any such exercise or failure so to exercise.

No Admission Document or Prospectus

The Placing Shares are being offered to a limited number of specifically invited persons only and have not been nor will be offered in such a way as to require the publication of an admission document or prospectus in the United Kingdom or any equivalent document in any other jurisdiction. No offering document, admission document or prospectus has been or will be submitted to be approved by the FCA or the London Stock Exchange in relation to the Placing, and Placees' commitments will be made solely on the basis of the information contained in the Announcement (including this Appendix) and the business and financial information that the Company is required to publish in accordance with the AIM Rules (the “**Exchange Information**”). Each Placee, by accepting a participation in the Placing, agrees that the content of this Announcement is exclusively the responsibility of the Company and confirms that it has neither received nor relied on any other information (other than the Exchange Information), representation, warranty, or statement made by or on behalf of the Company or the Broker or any other person and neither the Broker, the Company nor any other person 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 and, if given or made, such information, representation, warranty or statement must not be relied upon as having been authorised by the Broker, the Company or their respective officers, directors, employees or agents. 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. Neither the Company nor the Broker are making any undertaking or warranty to any Placee regarding the legality of an investment in the Placing Shares by such Placee under any legal, investment or similar laws or regulations. Each Placee should not consider any information in this Announcement to be legal, tax or business advice. Each Placee should consult its own solicitor, tax adviser and financial adviser for independent legal, tax and financial advice regarding an investment in the Placing Shares. Nothing in this paragraph shall exclude the liability of any person for fraudulent misrepresentation.

Registration and Settlement

Following the close of the Bookbuild, each Placee allocated Placing Shares in the Placing will be sent a trade confirmation or contract note in accordance with the standing arrangements in place with the Broker, stating the number of Placing Shares allocated to it at the Placing Price, the aggregate amount owed by such Placee (in GBP) and a form of confirmation in relation to settlement instructions.

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

Settlement of transactions in the Placing Shares (ISIN: GB00B4XS5145) following Admission will take place within the system administered by Euroclear UK & Ireland Limited (“CREST”) provided that, subject to certain exceptions, the Broker reserves the right to require settlement for, and delivery of, the Placing Shares (or a portion thereof) to Placees by such other means that it deems necessary if

delivery or settlement is not possible or practicable within CREST within the timetable set out in this Announcement or would not be consistent with the regulatory requirements in any Placee's jurisdiction.

It is expected that settlement will be on 5 February 2019 in accordance with the instructions set out in the form of confirmation.

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 2 percentage points above the prevailing LIBOR as determined by the Broker.

Each Placee is deemed to agree that, if it does not comply with these obligations, the Broker 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 Broker's account and benefit (as agent for the Company), an amount equal to the aggregate amount owed by the Placee plus any interest due. The relevant Placee will, however, remain liable and shall indemnify the Broker on demand for any shortfall below the aggregate amount owed by it and may be required to bear any stamp duty or stamp duty reserve tax or securities transfer tax (together with any interest or penalties) which may arise upon the sale of such Placing Shares on such Placee's behalf. By communicating a bid for Placing Shares, each Placee confers on the Broker such authorities and powers necessary to carry out any such sale and agrees to ratify and confirm all actions which the Broker lawfully takes in pursuance of such sale. Legal and/or beneficial title in and to any Placing Shares shall not pass to the relevant Placee until it has fully complied with its obligations hereunder.

If Placing Shares are to be delivered to a custodian or settlement agent, Placees should ensure that the form of 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 or securities transfer tax. Neither the Broker nor the Company will be liable in any circumstances for the payment of stamp duty, stamp duty reserve tax or securities transfer tax in connection with any of the Placing Shares. Placees will not be entitled to receive any fee or commission in connection with the Placing.

Representations, Warranties and Further Terms

By participating in the Placing, each Placee (and any person acting on such Placee's behalf) makes the following representations, warranties, acknowledgements, agreements and undertakings (as the case may be) to the Broker (for itself and on behalf of the Company):

- 1 that it has read and understood this Announcement, including the Appendix, in its entirety and that its subscription for or purchase of Placing Shares is subject to and based upon all the terms, conditions, representations, warranties, acknowledgements, agreements and undertakings and other information contained herein and undertakes not to redistribute or duplicate this Announcement;
- 2 that 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 the Broker of any right or discretion under the Placing Agreement shall be within the absolute discretion of the Broker and the Broker need not have any reference to it and shall have no liability to it whatsoever in connection with any decision to exercise or not to exercise any such right and each Placee agrees that it has no rights against the Broker or the Company, or any of their respective officers, directors or employees, under the Placing Agreement pursuant to the Contracts (Rights of Third Parties Act) 1999;
- 4 that these terms and conditions represent the whole and only agreement between it, the Broker and the Company in relation to its participation in the Placing and supersedes any previous agreement between any of such parties in relation to such participation. Accordingly, each Placee, in accepting its participation in the Placing, 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 and the Exchange Information, such information being all that it deems necessary to make an investment decision in respect of the Placing Shares. Each Placee agrees that neither the Company, the Broker nor any of their respective officers, directors or employees will have any liability for any such other information, representation or warranty, express or implied;
- 5 that in the case of any Placing Shares acquired by it as a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, (i) the Placing Shares acquired by it in the Placing have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Member State of the European Economic Area which has implemented the Prospectus Directive other than Qualified Investors or in circumstances in which the prior consent of the Broker has been given to the offer or resale; or (ii) 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;
- 6 that neither it nor, as the case may be, its clients expect the Broker to have any duties or responsibilities to such persons similar or comparable to the duties of "best execution" and "suitability" imposed by the FCA's Conduct of Business Source Book, and that the Broker is not acting for it or its clients, and that the Broker will not be responsible for providing the protections afforded to customers of the Broker or for providing advice in respect of the transactions described herein;
- 7 that it has made its own assessment of the Placing Shares and has relied on its own investigation of the business, financial or other position of the Company in accepting a participation in the Placing and neither the Broker or the Company nor any of their respective affiliates, agents, directors, officers or employees or any person acting on behalf of any of them has provided, and will not provide, it with any material regarding the Placing Shares or the Company or any other person other than the information in this Announcement, the Presentation or the Publicly Available Information; nor has it requested the Broker, the Company or any of their respective affiliates, agents, directors, officers or employees or any person acting on behalf of any of them to provide it with any such information
- 8 that it is: (i) unless otherwise agreed in writing with the Broker, located outside the United States and is not a US person as defined in Regulation S under the Securities Act ("Regulation S") and is subscribing for and/or purchasing the Placing Shares only in "offshore transactions" as defined in and pursuant to Regulation S, and (ii) it is not subscribing for and/or purchasing Placing Shares as a result of any "directed selling efforts" as defined in Regulation S or by means of any form of "general solicitation" or "general advertising" as such terms are defined in Regulation D under the Securities Act;

- 9 that the Placing Shares have not been and will not be registered under the Securities Act, or under the securities legislation of, or with any securities regulatory authority of, any state or other jurisdiction of the United States and that, subject to certain exceptions, the Placing Shares may not be offered, sold, pledged, resold, transferred, delivered or distributed into or within the United States;
- 10 that the only information on which it is entitled to rely on and on which it has relied in committing to subscribe for the Placing Shares is contained in the Announcement, Presentation and Publicly Available Information, such information being all that it deems necessary to make an investment decision in respect of the Placing Shares and it has made its own assessment of the Company, the Placing Shares and the terms of the Placing based on the Announcement, Presentation and Publicly Available Information;
- 11 that neither the Broker or the Company nor any of their respective affiliates, agents, directors, officers or employees has made any representation or warranty to it, express or implied, with respect to the Company, the Placing or the Placing Shares or the accuracy, completeness or adequacy of the Publicly Available Information.
- 12 that, unless specifically agreed with the Broker, it is not and was not acting on a non-discretionary basis for the account or benefit of a person located within the United States at the time the undertaking to subscribe for and/or purchase Placing Shares was given and it is not acquiring Placing Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any Placing Shares into the United States and it will not reoffer, resell, pledge or otherwise transfer the Placing Shares except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and otherwise in accordance with any applicable securities laws of any state or jurisdiction of the United States;
- 13 that it is not a national or resident of Canada, Australia, Ireland, South Africa or Japan or a corporation, partnership or other entity organised under the laws of Canada, Australia, the Republic of Ireland, the Republic of South Africa or Japan and that it will not offer, sell, renounce, transfer or deliver, directly or indirectly, any of the Placing Shares in Canada, Australia, the Republic of Ireland, the Republic of South Africa or Japan or to or for the benefit of any person resident in Canada, Australia, the Republic of Ireland, the Republic of South Africa or Japan and each Placee acknowledges that the relevant exemptions are not being obtained from the Securities Commission of any province of Canada, that no document has been or will be lodged with, filed with or registered by the Australian Securities and Investments Commission or Japanese Ministry of Finance and that the Placing Shares are not being offered for sale and may not be, directly or indirectly, offered, sold, transferred or delivered in or into Canada, Australia, the Republic of Ireland, the Republic South Africa or Japan;
- 14 that it does not have a registered address in, and is not a citizen, resident or national of, any jurisdiction in which it is unlawful to make or accept an offer of the Placing Shares and it is not acting on a non-discretionary basis for any such person;
- 15 that it has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted, and will not, directly or indirectly, distribute, forward, transfer or otherwise transmit, any presentation or offering materials concerning the Placing or the Placing Shares to any persons within the United States or to any US persons (as that term is defined in Regulation S);

- 16 that it is entitled to subscribe for and/or purchase 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 the Broker 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;
- 17 that it has obtained all necessary consents and authorities to enable it to give its commitment to subscribe for and/or purchase the Placing Shares and to perform its subscription and/or purchase obligations;
- 18 that where it is acquiring Placing Shares for one or more managed accounts, it is authorised in writing by each managed account: (a) to acquire the Placing Shares for each managed account; (b) to make on its behalf the representations, warranties, acknowledgements, undertakings and agreements in this Appendix and the Announcement of which it forms part; and (c) to receive on its behalf any investment letter relating to the Placing in the form provided to it by the Broker;
- 19 that it is either: (a) a person of a kind described in paragraph 5 of Article 19 (persons having professional experience in matters relating to investments and who are investment professionals) of the Order; or (b) a person of a kind described in paragraph 2 of Article 49 (high net worth companies, unincorporated associations, partnerships or trusts or their respective directors, officers or employees) of the Order; or (c) a person to whom it is otherwise lawful for this Announcement to be communicated and in the case of (a) and (b) 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 that, unless otherwise agreed by the Broker, it is a qualified investor (as defined in section 86(7) of the Financial Services and Markets Act 2000, as amended ("FSMA"));
- 21 that, unless otherwise agreed by the Broker, it is a "professional client" or an "eligible counterparty" within the meaning of Chapter 3 of the FCA's Conduct of Business Sourcebook and it is purchasing Placing Shares for investment only and not with a view to resale or distribution;
- 22 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 section 21(1) of FSMA does not require approval of the communication by an authorised person;
- 23 that any money held in an account with the Broker (or its nominee) on its behalf and/or any person acting on its behalf will not be treated as client money within the meaning of the rules and regulations of the FCA. Each Placee further acknowledges that the money will not be subject to the protections conferred by the FCA's client money rules. As a consequence, this money will not be segregated from the Broker's (or its nominee) money in accordance with such client money rules and will be used by the Broker in the course of its own business and each Placee will rank only as a general creditor of the Broker;
- 24 that it will (or will procure that its nominee will) if applicable, make notification to the Company of the interest in its ordinary shares in accordance with the Disclosure Guidance and Transparency Rules published by the FCA;

- 25 that it is not, and it is not 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;
- 26 that it will not deal or cause or permit any other person to deal in all or any of the Placing Shares which it is subscribing for and/or purchasing under the Placing unless and until Admission becomes effective;
- 27 that it appoints irrevocably any director of the Broker as its agent for the purpose of executing and delivering to the Company and/or its registrars any document on its behalf necessary to enable it to be registered as the holder of the Placing Shares;
- 28 that, as far as it is aware it is not acting in concert (within the meaning given in The City Code on Takeovers and Mergers) with any other person in relation to the Company;
- 29 that this Announcement does not constitute a securities recommendation or financial product advice and that neither the Broker nor the Company has considered its particular objectives, financial situation and needs;
- 30 that it has sufficient knowledge, sophistication and experience in financial, business and investment matters as is required to evaluate the merits and risks of subscribing for or purchasing the Placing Shares and is aware that it may be required to bear, and it, and any accounts for which it may be acting, are able to bear, the economic risk of, and is able to sustain, a complete loss in connection with the Placing;
- 31 that it will indemnify and hold the Company and the Broker and their respective affiliates harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the representations, warranties, acknowledgements, agreements and undertakings in this Appendix and further agrees that the Company and the Broker will rely on the truth and accuracy of the confirmations, warranties, acknowledgements and undertakings herein and, if any of the foregoing is or becomes no longer true or accurate, the Placee shall promptly notify the Broker and the Company. All confirmations, warranties, acknowledgements and undertakings given by the Placee, pursuant to this Announcement (including this Appendix) are given to the Broker for itself and on behalf of the Company and will survive completion of the Placing and Admission;
- 32 that time shall be of the essence as regards obligations pursuant to this Appendix;
- 33 that it is responsible for obtaining any legal, financial, tax and other advice that it deems necessary for the execution, delivery and performance of its obligations in accepting the terms and conditions of the Placing, and that it is not relying on the Company or the Broker to provide any legal, financial, tax or other advice to it;
- 34 that all dates and times in this Announcement (including this Appendix) may be subject to amendment and that the Broker shall notify it of such amendments;
- 35 that (i) it has complied with its obligations under the Criminal Justice Act 1993, Part VIII of FSMA and the Market Abuse Regulation, (ii) in connection with money laundering and terrorist financing, it has complied with its obligations under the Proceeds of Crime Act 2002 (as amended), the Terrorism Act 2000 (as amended), the Terrorism Act 2006 and the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 and (iii) it is not a person: (a) with whom transactions are prohibited under the Foreign Corrupt Practices Act of 1977 or any economic sanction programmes administered by, or regulations promulgated by, the Office of Foreign Assets Control of the U.S. Department of

the Treasury; (b) named on the Consolidated List of Financial Sanctions Targets maintained by HM Treasury of the United Kingdom; or (c) subject to financial sanctions imposed pursuant to a regulation of the European Union or a regulation adopted by the United Nations (together, the “**Regulations**”); and, if making payment on behalf of a third party, that satisfactory evidence has been obtained and recorded by it to verify the identity of the third party as required by the Regulations and, if making payment on behalf of a third party, that satisfactory evidence has been obtained and recorded by it to verify the identity of the third party as required by the Regulations and has obtained all governmental and other consents (if any) which may be required for the purpose of, or as a consequence of, such purchase, and it will provide promptly to the Broker such evidence, if any, as to the identity or location or legal status of any person which the Broker may request from it in connection with the Placing (for the purpose of complying with such Regulations or ascertaining the nationality of any person or the jurisdiction(s) to which any person is subject or otherwise) in the form and manner requested by the Broker on the basis that any failure by it to do so may result in the number of Placing Shares that are to be subscribed for and/or purchased by it or at its direction pursuant to the Placing being reduced to such number, or to nil, as the Broker may decide in its absolute discretion;

- 36 that it will not make any offer to the public of those Placing Shares to be subscribed for and/or purchased by it for the purposes of the Prospectus Rules made by the FCA pursuant to Commission Regulation (EC) No. 809/2004;
- 37 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 make the statements set out herein) for investment purposes only and it does not have any contract, understanding or arrangement with any person to sell, pledge, transfer or grant a participation therein to such person or any third person with respect of any Placing Shares; save that that if it is a private client stockbroker or fund manager it confirms that in purchasing the Placing Shares it is acting under the terms of one or more discretionary mandates granted to it by private clients and it is not acting on an execution only basis or under specific instructions to purchase the Placing Shares for the account of any third party;
- 38 that it acknowledges that these terms and conditions and 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 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 English courts as regards any claim, dispute or matter arising out of any such contract, except that enforcement proceedings in respect of the obligation to make payment for the Placing Shares (together with any interest chargeable thereon) may be taken by the Company or the Broker in any jurisdiction in which the relevant Placee is incorporated or in which its assets are located or any of its securities have a quotation on a recognised stock exchange;
- 39 that any documents sent to Placees will be sent at the Placees' risk. They may be sent by post to such Placees at an address notified to the Broker;
- 40 that the Broker owes no fiduciary or other duties to any Placee in respect of any representations, warranties, undertakings or indemnities in the Placing Agreement;
- 41 that the Broker or any of its respective affiliates may, at their absolute discretion, agree to become a Placee in respect of some or all of the Placing Shares;

- 42 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; and
- 43 that if it has received any confidential price sensitive information concerning the Company in advance of the publication of this Announcement, it has not: (i) dealt in the securities of the Company; (ii) encouraged, required, recommended or induced another person to deal in the securities of the Company; or (iii) disclosed such information to any person, prior to such information being made publicly available.

The Company, the Broker and their respective affiliates will rely upon the truth and accuracy of each of the foregoing representations, warranties, acknowledgements and undertakings which are given to the Broker for itself and on behalf of the Company and are irrevocable.

The provisions of this Appendix may be waived, varied or modified as regards specific Placees or on a general basis by the Broker.

The agreement to settle a Placee's subscription and/or purchase (and/or the subscription of 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 a subscription 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 subscribed for 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 relates to any other subsequent dealing in the Placing Shares, stamp duty or stamp duty reserve tax may be payable, for which neither the Company or the Broker 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 UK stamp duty or stamp duty reserve tax undertakes to pay such UK stamp duty or stamp duty reserve tax forthwith and to indemnify on an after-tax basis and to hold harmless the Company and the Broker in the event that any of the Company and/or the Broker have incurred any such liability to UK stamp duty or stamp duty reserve tax. If this is the case, each Placee should seek its own advice and notify the Broker accordingly.

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 subscription or purchase by them of any Placing Shares or the agreement by them to subscribe for or purchase any Placing Shares.

This Announcement has been issued by, and is the sole responsibility, of the Company. No representation or warranty express or implied, is or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by the Broker or by any of their respective affiliates or agents as to or in relation to, the accuracy or completeness of this Announcement or any other written or oral information made available to or publicly available to any interested party or its advisers, and any liability therefore is expressly disclaimed.

DEFINITIONS

The following definitions apply throughout this Announcement unless the context otherwise requires:

"Admission"	admission of the Placing Shares to trading on AIM becoming effective in accordance with Rule 6 of the AIM Rules
"Affiliates"	any person that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the person specified
"AIM"	the market of that name operated by the London Stock Exchange
"AIM Rules"	the AIM Rules for Companies as published by the London Stock Exchange from time to time
"Announcement"	means this announcement (including the Appendix to this announcement)
"Arden"	Arden Partners plc
"Bookbuild"	the accelerated bookbuilding to be conducted by the Broker pursuant to the Placing Agreement and this Announcement
"Bookrunner"	Arden
"Broker"	Arden
"Company" or "Cloudcall"	Cloudcall Group plc
"CREST"	the relevant system (as defined in the Uncertificated Securities Regulations 2001) for the paperless settlement of trades and the holding of uncertificated securities operated by Euroclear UK & Ireland Limited
"Directors" or "Board"	the directors of the Company
"EEA"	the European Economic Area
"FCA"	the Financial Conduct Authority in its capacity as the competent authority for the purposes of Part VI of FSMA
"FSMA"	the Financial Services and Markets Act of 2000 (as amended)

"London Stock Exchange"	London Stock Exchange plc
"Market Abuse Regulation"	the Market Abuse Regulation (2014/596/EU) (incorporating the technical standards, delegated regulations and guidance notes, published by the European Commission, London Stock Exchange, the FCA and the European Securities and Markets Authority)
"Ordinary Shares"	the ordinary shares of no par value in the capital of the Company
"Placees"	subscribers for Placing Shares pursuant to the Placing
"Placing"	the placing of the Placing Shares at the Placing Price by Arden as agent for and on behalf of the Company pursuant to the terms of the Placing Agreement
"Placing Agreement"	the agreement dated 29 January 2019 between (i) the Company; and (ii) Arden relating to the Placing, further details of which are set out in this Announcement
"Placing Documents"	all press announcements, presentation materials, this Announcement and any other document issued by or on behalf of the Company in connection with the Placing with the authority of the Company
"Placing Shares"	new Ordinary Shares placed by Arden on behalf of the Company in connection with the Placing
"Placing Price"	the price at which Placing Shares will be offered to Placees pursuant to the Placing
"Presentation"	the investor presentation to prospective Placees relating to the Group and its business
"Prospectus Directive"	EU Directive 2003/71/EC
"Publicly Available Information"	any information announced through a Regulatory Information Service by or on behalf of the Company on or prior to the date of this Announcement
"Regulation S"	Regulation S under the Securities Act

"Regulatory Information Service"	any of the services set out on the list maintained by the London Stock Exchange as set out in the AIM Rules
"Securities Act"	the US Securities Act of 1933 (as amended)
"UK" or "United Kingdom"	the United Kingdom of Great Britain and Northern Ireland
"United States" or "USA"	The United States of America, its territories and possessions, any state of the United States of America and the District of Columbia and all other areas subject to its jurisdiction
"US Persons"	has the meaning set out in Regulation S of the Securities Act