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If you have sold or otherwise transferred all of your shares in Ace Liberty & Stone Plc, please send this Document, at once to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the person who now holds the shares.

ACE LIBERTY & STONE PLC

COMPANY NUMBER 06223892

Open offer to subscribe for up to £4,850,000 Convertible Notes and Warrants

This document is not a prospectus for the purposes of the Prospectus Rules and has not been approved by the UK Financial Conduct Authority (in its capacity as the UK Listing Authority or otherwise) pursuant to sections 85 and 87 of Financial Services and Markets Act 2000 as amended ("**FSMA**"). In addition, this document does not constitute an admission document drawn up in accordance with the NEX Growth Market Rules.

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Part I
LETTER FROM THE CHAIRMAN OF
ACE LIBERTY & STONE PLC

Ace Liberty & Stone plc

(Registered in England and Wales with company number 06223892)

Directors

Dr. Tony Ghorayeb (Non-Executive Chairman)

Ismail Ghandour (Chief Executive)

Mark Thomas (Commercial Director)

Ivan Minter (Chief Financial Officer)

Keith Pankhurst (Senior Independent Director)

Kayssar Ghorayeb (Non-Executive Director)

Hikmat El-Rousstom (Non-Executive Director)

Registered Office

5-7 Cranwood Street

London

EC1V 9EE

Date: 28 December 2017

To Shareholders

Open Offer of up to £4,850,000 Convertible Loan Notes and Warrants

1. Introduction

The Company announced today that it will raise up to £4,850,000 (before fees and expenses) through an Open Offer by way of the issue of convertible loan notes (**Convertible Notes**) and warrants (**Warrants**) on the terms and conditions set out in paragraph 5 of this letter. The Convertible Notes shall convert into and the Warrants shall be exercisable over ordinary shares of £0.25 each in the capital of the Company (**Ordinary Shares**).

The Open Offer is subject to subscription of a minimum of £2million Convertible Notes. This has been achieved by commitments by major shareholders of £3.01million on or before the date of this letter.

In the event that Open Offer is not fully subscribed, each Qualifying Shareholder will be entitled to apply for additional Convertible Notes under the Excess Application Facility. The number of Excess Convertible Notes for which Qualifying Shareholders may apply is limited to the number that represents the same number of Convertible Notes as those within the Open Offer Entitlement. The entitlement to Excess Notes is subject to the total number of Convertible Notes for which applications are received during the Offer Period not being greater than the maximum of £4,850,000 Convertible Notes, in which case the Excess Convertible Notes for which Qualifying Shareholders have applied will be scaled back in proportion to the respective numbers of Convertible Notes of those who have applied for Excess Convertible Notes.

I am writing to set out the background to and reasons for the Open Offer. The funding will be used to allow the Company to start implementing the strategy to acquire additional properties as set out in the section headed Background to and Reasons for the Open Offer below. The proposals allow Qualifying Shareholders to participate in the fundraising in order to raise equity for the implementation of this strategy in a cost-effective manner.

2. Background to and reasons for the Open Offer

The Company has enjoyed substantial growth during the last five years. New equity investment has increased the Company's resources and enabled the purchase of properties with the support of secured loan finance. With the purchase of New Majestic Bingo Hall, Middlesbrough in November 2017, these funds became fully invested. The annual results announced on 2nd October 2017 for the year ended 30 April 2017 show the ongoing level of rental income generated by the portfolio of properties that has been acquired by the Company.

The Company is in a strong position with a good level of rental income and a portfolio of properties which has potential for a further increase in capital value.

The directors continue to seek out further property purchase opportunities which would be to the Company's advantage if they can be realised. These are now to be found in a higher price range than the existing properties and additional funding by way of equity investment will enable the Company to move into that price bracket.

The directors are conscious of the support provided by shareholders and believe it is right and fair to offer the opportunity to participate at the present time on advantageous terms before further equity investment is sought.

The Board acknowledges the importance of the continuing support of shareholders. The Open Offer also enables all Qualifying Shareholders to participate in the fundraising on a *pro rata* basis and with the ability to apply for Convertible Notes in addition to their proportionate entitlement.

Accordingly, the Directors believe that an Open Offer is in the best interests of the Company and Shareholders as the funds raised should enable the Company to progress with its strategy to grow the value of the portfolio of investment properties.

3. Current trading and outlook

The Company has published its results for the year ended 30 April 2017 on 2nd October 2017, which show a steady increase in all KPIs monitored by the Directors. It is noteworthy that revenue has increased by 29% and profit by 270% compared to the equivalent results in the previous year. During the year the Company's property holdings have increased from £29,488,428 to £38,979,308, an increase of 32%. A number of property acquisitions have been announced, notably in Barnstaple, Margate and Middlesbrough. Further property transactions are currently being negotiated which will enhance the portfolio and annual rental income.

The issue of Convertible Notes is to be completed before release of interim results announcement. This is estimated to be 29 January 2018.

4. Use of Proceeds

The Company is seeking up to £4,850,000 to continue to build its portfolio of properties with good rental income, sound covenants and potential for capital value increases. The directors are in continuous touch with the commercial property market and constantly receive approaches for purchase and sale transactions. These are evaluated and pursued depending on the quality of the opportunity and available funds. It is not possible to specify which properties are to be purchased once the additional funding is available. The amount that is raised by way of the Open Offer will allow the Directors to identify those opportunities that are most attractive. Future purchases will be consistent with the existing successful strategy; all property transactions are announced on the NEX Exchange Growth Market.

5. Information on the Open Offer

Fundraising Structure

The Directors have given careful consideration to the structure of the proposed fundraising and have concluded that the Open Offer is the most suitable option available to the Company and its Shareholders at this time having regard to the importance of pre-emption rights to Shareholders, the composition of the Shareholders, the current share price and the objective of achieving a cost effective and efficient fundraising.

Under the Open Offer, the Company will offer the opportunity to subscribe for up to £4,850,000 of Convertible Notes with a conversion price of £1.00. If the Offer is fully subscribed and all these loan notes are converted into Ordinary Shares, this would result in the holders of the Convertible Notes acquiring 4,850,000 Ordinary Shares in the Company in respect of the principal amount and an additional 485,000 Ordinary Shares in respect of interest on the principal and an additional 145,500 Ordinary Shares in respect of arrangement fees.

Under the Open Offer, the Company will issue warrants to each shareholder who subscribes for offer Convertible Notes to acquire Ordinary Shares at an exercise price of £0.80 per Ordinary Share. The warrants will be issued in identical amounts as the offer Convertible Notes. If the Offer is fully subscribed and all the warrants are exercised, this would result in the holders of the warrants acquiring 4,850,000 Ordinary Shares in the Company.

In the event that all Convertible Notes were converted into Ordinary Shares and all Warrants were exercised, the New Ordinary Shares will represent approximately 20 per cent. of the Enlarged Share Capital.

This would result in a dilution of approximately 20.49 per cent. in aggregate for holders of Existing Ordinary Shares, save to the extent that they subscribe for their Open Offer Entitlement and Excess Open Offer Entitlement.

Principal terms of the Open Offer

Offer Period	The period running from the date of this letter to 22 January 2018.
Open Offer Entitlement	Each Shareholder shall be entitled to a proportional entitlement of Convertible Notes (in proportion to the amount of existing Ordinary Shares they hold bears to the total number of existing Ordinary Shares in issue at the date of this letter). You will be notified of your Open Offer Entitlement by the Company in your application form.
Issue Price	Each Convertible Note shall be issued a price of £1.00 per Convertible Note.
Minimum Subscription Amount	Shareholders may only subscribe for Convertible Notes and Warrants if they subscribe for a minimum subscription amount of £50,000 Convertible Notes
Qualifying Shareholders	Those shareholders whose Open Offer Entitlement is equal to or greater than £50,000 of Convertible Notes (i.e. the Minimum Subscription Amount)
Arrangement Fee	An arrangement fee of 3% of the total number of Convertible Notes for which subscribers will be paid on issue of the Convertible Notes in Ordinary Shares issued to the Shareholder at £1.00 per Share.
Conversion Term	The Convertible Notes once issued can be converted into Ordinary Shares at the Conversion Rate listed below at any time from the date of issue to the second anniversary of that date (i.e. two years).
Conversion Rate	Conversion of the Convertible Notes will be at £1.00 per Ordinary Share.
Cash Repayment	If any holder of Convertible Notes chooses not to exercise the option to convert into Ordinary Shares, the subscription price paid for the Convertible Notes will be repaid at the end of the Conversion Term (i.e. in two years).
Interest Rate	Interest will be paid at 5% per annum, payable in Ordinary Shares issued at a price of £1.00 per share.
Interest Payment Date	Interest will be paid in one lump sum either at the expiry of two-year term or on conversion (whichever is earlier).
Interest Amount	Interest will be paid for the full two-year Conversion Term regardless of any earlier conversion date.

Warrants	In addition to the Convertible Notes, warrants will be issued at the date of issue to any subscribers of Convertible Notes – such Warrants will grant these subscribers to an entitlement to purchase an identical amount of Ordinary Shares as their Convertible Notes conversion entitlement.
Warrant Exercise Price	Warrants can be exercised to subscriber for Ordinary Shares at an exercise price of £0.80 per Ordinary Share.
Warrant Exercise Period	Warrants can be exercised at any time regardless of any conversion date of a holder's Convertible Notes, but if any warrants are not exercised after three years from issue, such warrants will lapse.
Transferability of Warrants and Convertible Notes	The Convertible Notes and Warrants are not transferable except to close family and 100% owned companies
Excess Application Facility	If the issue is not fully subscribed, Qualifying Shareholders may subscribe for Convertible Notes in addition to their normal Open Offer Entitlement up to an amount of additional Convertible Notes as is equal to their normal Open Offer Entitlement

This Open Offer shall take place pursuant to the shareholder authorities granted at the Company's Annual General Meeting on 26 October 2017.

The Open Offer provides an opportunity for all Qualifying Shareholders to participate in the fundraising *pro rata* to their current holdings of existing Ordinary Shares with the option for subscribing for more pursuant to the Excess Application Facility subject to scaling down by the Company in the event that the Open Offer becomes oversubscribed. Any fractional entitlements to Convertible Notes shall be aggregated and made available as part of the Excess Application Facility.

The Excess Application Facility being made available as part of the Open Offer enables Qualifying Shareholders who so wish to apply for Open Convertible Notes in excess of their Open Offer Entitlement up to an amount equal to their primary entitlement to Convertible Notes.

It should be noted that the Open Offer is not a rights issue. The Application Form is not a document of title and cannot be traded, The Open Offer is directed at fewer than 150 persons, and so is exempt under section 86 of Financial Services and Markets Act 2000 from publishing a prospectus.

If a Qualifying Shareholder does not take up any of his or her Open Offer Entitlement, his or her proportionate ownership and voting rights in the Company may be diluted by up to 20.49 per cent. by the issue of up to 10,330,500 new Ordinary Shares following conversion of Convertible Notes and exercise of Warrants (based on a maximum subscription under the Open Offer).

The Open Offer is not underwritten. There can be no certainty as to the aggregate level of subscription for New Ordinary Shares. If the aggregate level of subscription within the Offer Period is less than £2,000,000 the Open Offer will not proceed and subscription monies will be returned to applicants.

The latest date and time for acceptance and payment in full under the Open Offer is 11 a.m. on 22 January 2018. **Any applications received after this time will not be accepted.** Full details of the terms and conditions of the Open Offer and how to apply are set out in Part II of this document.

Assuming that the conditions are satisfied the Open Offer will raise gross proceeds of up to £4.85 million.

Any Ordinary Shares issued pursuant to the Convertible Notes or the Warrants will when issued be credited as fully paid and will rank equally in all respects with the existing Ordinary Shares of the Company, including the right to receive all dividends and other distributions declared, made or paid in respect of the Ordinary Shares.

Open Offer Entitlement

Qualifying Shareholders are invited, on and subject to the terms and conditions of the Open Offer, to apply for any number of Convertible Notes at the Issue Price up to their Open Offer Entitlement. Qualifying Shareholders have an Open Offer Entitlement in proportion to the amount of Existing Ordinary Shares registered in the name of the relevant Qualifying Shareholder on the ex-entitlement date for the Open Offer, subject to a minimum proportional entitlement of £50,000 of Convertible Notes and in each case rounded to the nearest £25,000 of Convertible Notes.

The aggregate number of Convertible Notes available for subscription pursuant to the Open Offer (including pursuant to the Excess Application Facility) is £4,850,000.

Application procedure under the Open Offer

Qualifying Shareholders may apply for any whole number of Convertible Notes up to their Open Offer Entitlement referred to above. The Open Offer Entitlement, in the case of Qualifying Shareholders, is equal to the number of Open Offer Entitlements on their Application Form. In addition, subject to availability, Qualifying Shareholders which apply for their full Open Offer Entitlement may apply for further Open Convertible Notes under the Excess Application Facility (up to the same amount of shares as permitted under their Open Offer Entitlement).

Qualifying Shareholders should note that their Application Form is not a negotiable document and cannot be traded.

Important notice

Qualifying Shareholders should note that the Open Offer is not a rights issue. Qualifying Shareholders should be aware that in the Open Offer, unlike with a rights issue, any Convertible Notes not applied for by Qualifying Shareholders under their Open Offer Entitlements will not be sold in the market on behalf of, or otherwise placed for the benefit of those Qualifying Shareholders who did not apply for their Open Offer Entitlements but will be made available to Shareholders as part of the Excess Application Facility.

Qualifying Shareholders are being invited to participate in the Open Offer and (subject to certain exceptions) will have received an Application Form with this document.

In issuing this document and structuring the Open Offer in this manner, the Company is relying on the exemption from issuing a prospectus in section 85(5) and paragraph 9 of Schedule 11A of FSMA.

Any Qualifying Shareholder who has sold or transferred all or part of his registered holding(s) of Existing Ordinary Shares prior to the date on which the shares are marked 'ex-entitlement' is advised to consult his stockbroker, bank or other agent through or to whom the sale or transfer was effected as soon as possible since the invitation to apply for Open Convertible Notes under the Open Offer may be a benefit which may be claimed from him by the purchasers under the rules of the NEX Growth Market.

6. Action to be taken by Qualifying Shareholders in respect of the Open Offer

Qualifying Shareholders are holders of Existing Ordinary Shares, who have an Open Offer Entitlement which is at least equal to the Minimum Subscription Amount.

If you are a Qualifying Shareholder you will receive an Application Form which gives details of your Open Offer Entitlement under the Open Offer. If you wish to apply for Convertible Notes under the Open Offer, you should complete the Application Form and return to the Company.

Completed Application Forms, accompanied by full payment by cheque or banker's draft, should be posted using the accompanying reply-paid envelope (if posted from the UK only) or returned by post or by hand (during normal business hours only) to the Company at 3a Pont Street, London SW1X 9EJ in either case, as soon as possible and in any event so as to be received by no later than 11 a.m. on 22 January 2018. Payment for applications may also be made via CHAPS, BACS or electronic bank transfer. If you wish to make payment by such means, please notify the Company in advance either by telephone on 020 7201 8340 or by email iminter@acelibertyandstone.com. Please make all bank transfers, to the Company's bank account, details of which are set out on the Application Form.

If you would like to make an application but are unable to post the Completed Application Form to the Company so as to be received by 11 a.m. on 22 January 2018, please contact the Company without delay and in any event before on 22 January 2018 either by telephone or email (as set out in the preceding paragraph). The Company has the discretion, but not the obligation, to accept Completed Application Forms electronically.

If you do not wish to apply for any Open Convertible Notes under the Open Offer, you should not complete or return the Application Form.

7. Overseas Shareholders

The distribution of this document and the Application Form and the making of the Open Offer to persons who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, or which are corporations, partnerships or other entities created or organised under the laws of countries other than the UK or to persons who are nominees of or custodians, trustees or guardians for citizens, residents in or nationals of, countries other than the UK may be affected by the laws or regulatory requirements of the relevant jurisdictions. Those persons should consult their professional advisers as to whether they require any governmental or other consents or need to observe any applicable legal requirement or other formalities to enable them to apply for Open Offer Shares under the Open Offer.

In particular, Qualifying Shareholders who have registered addresses in or who are resident in, or who are citizens of, countries other than the UK (including, without limitation, the United States or any other Restricted Jurisdiction) should consult their professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to take up their Open Offer Entitlements.

8. Taxation

Shareholders who are in any doubt as to their tax position, or who are subject to tax in a jurisdiction other than the UK should consult an appropriate professional adviser immediately.

9. Working Capital

The Company intends to invest the proceeds of the issue in investment properties. The Directors are of the opinion that there is sufficient working capital to pursue this strategy.

10. Risk Factors

Shareholders should consider fully the risk factors associated with the Open Offer. Your attention is drawn to the risk factors set out in Part II of this document (Risk Factors).

11. Further Information

Shareholders should read the whole of this document and not rely solely on the information set out in this letter. In particular, you should consider the risk factors set out in Part II of this document.

12. Intentions of the Directors in relation to the Open Offer

The Directors who are Qualifying Shareholders intend to take up their Open Offer Entitlements in full and subscribe for shares in the Excess Application Facility as set out below:

Directors	Open Offer Entitlement	Excess Application Facility	Total Number of Convertible Notes
Ismail Ghandour (Chief Executive)	Nil*	nil	nil
Anthony Ghorayeb (Non-Executive Chairman)	£50,000	nil	£50,000

Hikmat El-Rousstom (Non-Executive Director)	Nil*	nil	nil
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*Two directors have assigned their Open Offer Entitlement rights to associated family interests. Ismail Ghandour's entitlement has been assigned to that of a family trust which he does not control. Hikmat El-Rousstom's father has in a similar manner been assigned an entitlement on behalf of the El-Rousstom family

Mark Thomas, Ivan Minter, Keith Pankhurst and Kayssar Ghorayeb are not Qualifying Shareholders in respect of this Open Offer.

The Directors, in aggregate together with their immediate families or persons connected with them (within the meaning of Section 252 of the Act) hold 1,957,836 Existing Ordinary Shares, representing approximately 4.8% per cent. of the Existing Ordinary Shares in issue at the Latest Practicable Date.

An announcement will be released to the market in due course notifying the market of the acceptance by Directors and their families or connected persons of any Open Offer Entitlements and Excess Open Offer Entitlements and the effect on their subsequent shareholdings in the Company.

13. Recommendation

The board of directors of the Company has resolved that the Open Offer is in the best interest of Shareholders as a whole. The Directors are not making a recommendation to Qualifying Shareholders as to whether they should take up their entitlement under the Open Offer, such decision will depend on each Qualifying Shareholder's individual circumstance. Accordingly, the Board of Directors of the Company strongly recommends that Qualifying Shareholders take their own independent financial advice before making a decision as to whether or not to take up their entitlement under the Open Offer. The Directors intend to take up their aggregate maximum Open Offer Entitlements of £50,000 Convertible Notes under the Open Offer. In addition certain Directors (as set out in the table at paragraph 12 above) intend to apply for up to nil Convertible Notes under the Excess Application Facility.

Yours faithfully

Dr. Tony Ghorayeb

Non-Executive Chairman

PART II

RISK FACTORS

Potential investors and Shareholders should carefully consider the risks described below before making a decision to invest in the Company. This Part II contains what the Directors believe to be the principal risk factors associated with an investment in the Company. It should be noted that this list is not exhaustive and that other risk factors will apply to an investment in the Company. If any of the following risks actually occur, the Company's business, financial condition and/or results or future operations could be materially adversely affected. In such circumstances, the trading price of the New Ordinary Shares could decline and an investor may lose all or part of their investment. There can be no certainty that the Company will be able to implement successfully the strategy set out in this document. Additional risks and uncertainties not currently known to the Directors or which the Directors currently deem immaterial may also have an adverse effect on the Company.

This document contains forward-looking statements that involve risks and uncertainties as a result of many factors, including the risks faced by the Company which are described below and elsewhere in this document. Prospective investors should carefully consider the other information in this document. The risks listed below do not necessarily comprise all the risks associated with an investment in the Company.

An investment in the Company may not be suitable for all recipients of this document. Investors are accordingly advised to consult an independent financial adviser duly authorised under FSMA and who specialises in advising upon the acquisition of shares and other securities before making a decision to invest.

1. Principal risks and uncertainties relating to the Company and its business

The Company's performance may be affected by changes in legal, regulatory and tax requirements.

General economic conditions may affect the financial stability of the Company's prospective tenants and/or the demand for and value of commercial property. The Company's properties are let predominantly to Government departments, City Councils and creditworthy companies. 45% of the current rental income is from Departments of National Government and 15% from City Councils; a further 33% is receivable from FTSE100 companies. The risk of tenant default is therefore relatively low. Furthermore, the Company's Debt / Equity ratio is low and secured borrowings against the properties shown in the annual results is 51%.

The Company's business may be affected by legislative changes or changes in planning rules and practices.

The Company has significant borrowings and would therefore be affected by rises in interest rates. This is, however, mitigated by the low Loan-to-value ratio of the Company's secured debt and a high level of loan amortisation. The Directors project the return of prospective purchases using a higher interest cost than currently experienced.

The Company acquires properties with a view to enhancing their value by alternative use or re-letting when current tenancies end. This carries a danger that, should this not be possible immediately, the Company may have a non-income-earning property. The Company's historical performance shows that it has the ability to achieve a disposal of the property at a profit. The risk is also mitigated by: rapid loan amortisation; sequential rather than co-terminous tenancy ends; and a proportion of the portfolio consisting of longer-term tenancies which will continue to generate income and cash flow.

The price at which investors realise their Ordinary Shares will be influenced by a larger number of factors, some specific to the Company and its proposed operations, and some general. These factors could include the performance of the Company's operations, large purchases or sales of shares in the Company, absence of liquidity in the Ordinary Shares, legislative or regulatory changes affecting the business of the Company and general economic conditions. An investment in the Ordinary Shares may be volatile and investors could lose some or all of their investment.

Although the Company has a defined strategy, there can be no guarantee that its objectives or any of them will be achieved on a timely basis or at all.

Unexpected problems associated with the integration of a new project, asset or company may be encountered. Such problems could adversely affect the Company's ability to generate profits.

The Company may face competition from other entities with comparatively greater resources to invest in similar target companies and assets. There can be no assurance that competition will not limit the Company's ability to implement its strategy.

2. Risks relating to the Ordinary Shares

The Company may require additional capital to support its growth and this capital may not be available

The Company will require additional capital to support its development. If such funds are raised through further share issues the existing Shareholders could suffer dilution. The Company may also seek such capital from debt financing, but may only be able to secure such debt financing on onerous terms. Any debt financing secured by the Company could involve restrictive covenants on financial and operational matters which may make it difficult to pursue business opportunities. Therefore, it may be that the Company cannot take advantage of otherwise attractive business opportunities or might do so on terms that are onerous to the Company. The requirement for further funding is mitigated by the Board's commitment to live within its means and to ensure expenditure is controlled as a proportion of turnover. As such, the Directors intend to control expenditure to the extent required and for any additional funding requirements for development to be aligned with the Business Plan.

Possible volatility of the price of the Ordinary Shares

The market price of the Ordinary Shares could be subject to significant fluctuations due to a change in sentiment in the market regarding the Ordinary Shares (or securities similar to them) or in response to various factors and events, including: any regulatory changes affecting the Company's operations, variations in the Company's operating results and business developments of the Company' or its competitors.

Stock markets can experience significant price and volume fluctuations which have affected the market prices for securities that may be unrelated to the Company's operating performance or prospects. Furthermore the Company's operating results and prospects could be below the expectations of market analysts and investors. Any of these events could result in a decline in the market price of the Ordinary Shares and as such investors may not be able to sell their Ordinary Shares at or above the price they paid for them.

The trading prices of the Ordinary Shares may go down as well as up and Shareholders may therefore not recover a proportion or all of their original investment.

Substantial sales of Ordinary Shares could cause the price of Ordinary Shares to decline

There can be no assurance that certain Shareholders will not elect to sell their Ordinary Shares. The market price of Ordinary Shares could decline as a result of any sales of such Ordinary Shares or as a result of the perception that these sales may occur. If these or any other sales were to occur, the Company may in the future have difficulty in offering or selling Ordinary Shares at a time or at a price it deems appropriate.

Possible future share offerings

The Company may offer additional shares in the future, which may adversely affect the market price of the outstanding Ordinary Shares as an additional offering of shares by the Company or the public perception that an offering may occur, could have an adverse effect on the market price of the Ordinary Shares.

Investment in public quoted securities

Investment in securities traded on the NEX Growth Market is perceived to involve a higher degree of risk and be less liquid than investment in companies whose securities are listed on the "Official List" in the UK and traded on the London Stock Exchange's main market for listed securities. An investment in Ordinary Shares traded on NEX Growth Market may be difficult to realise. NEX Growth Market is a market designed for small and growing companies but its future success and liquidity as a market for Ordinary Shares cannot be guaranteed,

Prospective investors should be aware that the value of the Ordinary Shares may go down as well as up and that the market price of the Ordinary Shares may not reflect the underlying value of the Company. Investors may therefore realise less than, or lose all of, their investment.

Potentially volatile share price and liquidity

The share price of companies quoted on NEX Growth Market can be highly volatile and shareholdings illiquid. The price at which the Ordinary Shares are quoted and the price at which investors may realise their investment in the Company may be influenced by a significant number of factors, some specific to the Company and its operations and some which affect quoted companies generally. These factors could include the performance of the Company, large purchases or sales of Ordinary Shares, legislative changes and general economic, political or regulatory conditions.

3. Risks relating to the Open Offer

Shareholders will experience dilution in their ownership of the Company

If a Qualifying Shareholder does not take up his Open Offer Entitlement, the effect of the Open Offer will be a reduction of his proportionate ownership and voting interests in the Company. Shareholders will experience greater dilution in their ownership of, and voting interest in, the Company to the extent they do not subscribe in full for their Open Offer Entitlement.

Overseas Shareholders may not be eligible to participate in the Open Offer

Securities laws of certain jurisdictions may restrict the Company's ability to allow participation by Overseas Shareholders in the Open Offer. In particular, holders of Ordinary Shares who are located in the US may not be able to exercise their rights to their Open Offer Entitlement unless a registration statement under the Securities Act is effective with respect to such rights or an exemption from the registration requirements is available thereunder. The Open Offer will not be registered under the Securities Act. Securities laws of certain other jurisdictions may restrict the Company's ability to allow participation by Shareholders in such jurisdictions in any future issue of shares carried out by the Company. Qualifying Shareholders who have a registered address in or who are resident in, or who are citizens of, countries other than the UK should consult their professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to apply for and/or receive New Ordinary Shares.