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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION.

5 October 2017

**Randall & Quilter Investment Holdings Ltd.**

("R&Q", the "Group" or the "Company")

**Placing and open offer to raise up to approximately £49.3 million**

Randall & Quilter Investment Holdings Ltd., the non-life insurance and investment specialist, is pleased to announce that it has conditionally raised gross proceeds of £45.0 million through a firm placing of new ordinary shares (the "Placing") with certain institutional shareholders and Directors and is proposing to raise gross proceeds of up to approximately £4.3 million through an open offer of new ordinary shares to Qualifying Shareholders (the "Open Offer", and together with the Placing, the "Placing and Open Offer").

The Placing and Open Offer is conditional upon the passing of certain resolutions. A circular (the "Circular") is expected to be posted on or around 6 October 2017 notifying shareholders of a general meeting which is being convened for the purpose of considering the relevant resolutions, at 71 Fenchurch Street, Ground Floor, London EC3M 4BS on 30 October 2017 at 11.00 a.m.

A total of 34,883,720 new ordinary shares in the Company (the "Placing Shares") have been placed by Numis Securities Limited ("Numis") and Shore Capital Stockbrokers Limited ("Shore Capital") (together, the "Joint Brokers") pursuant to the Placing at a price of 129 pence per Placing Share (the "Issue Price"), raising total gross proceeds of approximately £45.0 million. The Placing Shares represent approximately 39.8 per cent of the issued ordinary share capital of R&Q prior to the Placing and Open Offer.

In addition, in order to provide Qualifying Shareholders with an opportunity to participate at the Issue Price, the Company is making the Open Offer to all Qualifying Shareholders to give them the opportunity to subscribe for up to 3,309,117 new Ordinary Shares (the "Open Offer Shares") at the Issue Price to raise gross proceeds of up to approximately £4.3 million. The terms and conditions of the Open Offer will be set out in the Circular.

The Issue Price represents a discount of approximately 11.9 per cent to the closing price of 146.5 pence on 4 October 2017 (being the latest practicable date prior to this announcement).

Commenting on the Placing and Open Offer, Ken Randall, Group Chairman and Chief Executive Officer (“CEO”) said:

*“We are delighted to have gained support for this capital raise to fund the significant growth opportunities ahead for the Group in our core activities of legacy acquisition activity and the writing of programme business on behalf of reinsurers. We thank our major existing shareholders for their continued support and are pleased to welcome a number of new shareholders onto our register. We have provided the open offer element to enable our smaller and non-institutional shareholders to participate on equal terms.*

*“We believe this capital raise will represent a step change in the Group's profile, providing enhanced access to quality business through balance sheet strength. The significant opportunities available to the Group in both of our core operations are now able to be fully harnessed and we look forward to the future with added confidence.”*

### **Current trading and distributions**

The Board was pleased to announce on 4 September 2017 that the H1 2017 result was significantly ahead of the equivalent period in 2016 driven primarily by record contributions from legacy transactions in the first half year of £19.1m (2016: £2.7m). The business has made excellent progress in deploying funds raised in the placing announced in February 2017. Additional capital has been injected into R&Q Insurance Malta and Accredited and the funds raised to pursue legacy transactions have already supported deals with others being finalised. The pipeline remains very strong. Accordingly, the Board increased the proposed interim distribution per share to 3.5p (2016 3.4p).

The process of simplifying the Group continues. This has allowed the Group to focus on core activities of legacy and underwriting niche programme business on behalf of high quality reinsurers. The key recent disposals by the Group were:

- The Lloyd's managing agency sold to Coverys for \$22.6m, representing a gain of £12.6m over carrying value (subject to regulatory approval); and
- Triton, a Norwegian insurance manager, sold during the period.

Additional disposals are currently being progressed and the Board will update the market on those disposals in due course.

As a result of these announced disposals, expected disposals and ongoing trading performance, the Board expects net asset value per share (excluding goodwill) to be in the range of 136 pence to 146 pence at the end of the current financial year (after payment of the interim distribution, and before the impact of the issue of the New Shares and any currency movements).

## **Background to and reasons for the Placing and Open Offer**

At the centre of the Group's simplification strategy is the Group's focus on (1) its core legacy acquisition activity and (2) fee generation in Accredited and R&Q Insurance (Malta) through its underwriting MGA/programme business, primarily on behalf of well-rated reinsurers. The Directors consider that the outlook looks strong for the Group as it capitalises on opportunities driven by, but not limited to, regulatory changes impacting large underwriters globally, macroeconomic effects, Brexit and separation of distribution from underwriting capital.

Summary of current pipeline:

- (i) Accredited: multiple loss portfolio transfer ("LPT") and assumption opportunities from US insurers and especially self-insured groups. Multiple MGA/programme opportunities with gross written premiums ("GWP") ranging from \$5 million to \$40 million; and
- (ii) R&Q Insurance (Malta): various MGA/programme opportunities as well as captive transfer and LPT mandates.

The first six months of 2017 alone saw the Group complete 11 legacy transactions across the US, Bermuda and UK markets. Four MGA/programmes were also signed by R&Q Insurance (Malta) and Accredited.

## **Use of the Proceeds from the Placing and Open Offer**

The Company intends to raise gross proceeds of approximately £49.3 million pursuant to the Placing and Open Offer.

It is expected that the net amount of cash available to the Company following the Placing and Open Offer will be up to approximately £47.6 million, which it is intended to use as follows:

- (i) a £30 million capital contribution to R&Q Insurance Malta to grow its balance sheet, help secure an A- rating, and support its solvency capital ratios during its expansion. The credit rating and increased size will, in turn, open up further MGA/programme business with higher commission rates. A credit rating should also expand the universe of legacy transaction opportunities, especially loss portfolio transfers of larger, rated insurance groups' discontinued portfolios. The Directors consider it likely that there will also be other intra-group structuring and solvency capital benefits; and
- (ii) a \$25 million capital contribution to Accredited, the Group's A- rated US carrier, which will raise Accredited into the size '7' category (defined as vehicles with \$50 million to \$100 million of net assets), opening up larger loss portfolio transfer opportunities and programme business alike.

Approximately £1.7 million of the gross proceeds will be used to pay fees and expenses (including VAT) incurred in connection with the Placing and Open Offer (including broking commissions and other fees).

## **Details of the Placing and Open Offer**

Numis and Shore Capital are acting as joint brokers in connection with the Placing. The Placing is subject to the terms and conditions set out in the Appendix (which forms part of this announcement) and the Open Offer will be subject to the terms and conditions to be set out in the Circular.

The New Shares will be credited as fully paid and will rank *pari passu* with the existing ordinary shares of the Company.

The Open Offer has been structured so that the total consideration under the Open Offer is less than €5 million (or an equivalent Sterling amount) in aggregate. Therefore, in accordance with Section 85 and Schedule 11A of FSMA, no prospectus will be made available in connection with the matters contained in this announcement and no such prospectus is required (in accordance with the Prospectus Directive) to be published. Under the Open Offer, up to an aggregate amount of 3,309,117 Open Offer Shares will be made available to Qualifying Shareholders at the Issue Price, pro rata to their holdings of existing Ordinary Shares, on the basis of 1 new Open Offer Share for every 26 existing Ordinary Shares held on the Record Date.

The Group operates a progressive distribution policy. Distributions are made bi-annually and are typically paid in May / June and October / November. New shares issued under the Placing and Open Offer will not affect this policy. New shares issued under the Placing and Open Offer will be eligible for the dividend payment expected in May / June 2018. Without pre-judging the outcome, the Board has committed to reviewing whether it would be in the interests of shareholders to look at paying dividends rather than capital returns (which form the basis of the current distribution strategy). For the avoidance of doubt, any such change will not affect the progressive nature of the policy.

Application will be made to the London Stock Exchange for the New Shares to be admitted to trading on AIM and it is anticipated that trading in the New Shares will commence on AIM at 8.00 a.m. on 31 October 2017. Settlement of the New Shares in the form of Depositary Interests is expected to take place within the CREST system following Admission.

The Placing and Open Offer is conditional upon, among other things, Admission becoming effective, the Placing and Open Offer Agreement between Numis, Shore Capital and the Company, which was entered into today, not being terminated and the Resolutions to be proposed at the General Meeting being passed without amendment.

## **Directors' participation in the Placing and Open Offer**

Certain of the investors in the Placing have expressed the view that they believe it is appropriate for the executive directors to participate personally, and accordingly, the following Directors have confirmed that they support the Placing and Open Offer and they have agreed to participate in the Placing and subscribe for the following number of Placing Shares:

Director	Number of Placing Shares	Value of Placing Shares at the Issue Price (£)	Total holding of Ordinary Shares following Placing	Percentage of the Company's enlarged issued share capital
Ken Randall	1,550,387	1,999,999.23	14,061,852	11.45%
Alan Quilter	500,000	645,000.00	3,766,456	3.07%
Tom Booth	77,519	99,999.51	1,508,845	1.23%

These Placing subscriptions by the Directors named above, are considered to constitute related party transactions pursuant to AIM Rule 13 of the AIM Rules. Phoenix Asset Management Partners, ("Phoenix") has agreed to subscribe for 7,955,257 Placing Shares in the Placing. Due to the size of Phoenix's existing holding of 16,435,477 Ordinary Shares in the capital of the Company representing 18.7% of the current issued share capital, this transaction is considered to be a related party transaction pursuant to AIM Rule 13 of the AIM Rules. The Directors (excluding Ken Randall, Alan Quilter and Tom Booth) consider, having consulted with Numis, that the terms of the related party transactions are fair and reasonable insofar as shareholders of the Company are concerned. Immediately following Admission, it is envisaged that Phoenix will hold 24,390,734 Ordinary Shares representing 19.9% of the enlarged share capital (before the issue of any shares under the Open Offer).

### **Proposed Board changes**

The Board is also pleased to announce that, as part of its succession planning, in the summer of 2018 it is expected that Ken Randall will relinquish his role as CEO and continue as Executive Chairman.

At that time, Tom Booth will assume the role of Group CEO and a new Chief Financial Officer will be appointed. In addition, it is also expected that Alan Quilter will step down from the role of Chief Operating Officer ("COO") to become Deputy Chairman and the Group will seek to appoint a new COO.

### **Recommendation**

For the reasons given above, the Directors believe that completion of the Placing and Open Offer and the approval of the Resolutions are in the best interests of the Company and Shareholders as a whole. Accordingly, the Directors unanimously recommend that Shareholders vote in favour of the Resolutions at the General Meeting, as they intend to do in respect of their own beneficial holdings of Ordinary Shares amounting to, in aggregate, 17,244,247 Ordinary Shares, representing approximately 19.7 per cent of the Ordinary Shares in issue as at the date of this announcement.

This announcement (including the Appendix which sets out the terms and conditions of the Placing) should be read in its entirety.

For further information, please contact:

**Randall & Quilter Investment Holdings Ltd.**  
Ken Randall

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## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Record Date and time for entitlements under the Open Offer	5.00 p.m. on 3 October 2017
Existing Ordinary Shares marked “ex” by the London Stock Exchange	6 October 2017
Expected date for publishing and posting of the Circular, the Form of Proxy, Form of Instruction and, to Qualifying Non-CREST Shareholders only, the Application Form	6 October 2017
Open Offer Entitlements and Excess CREST Open Offer Entitlements credited to stock accounts in CREST of Qualifying DI Holders	8.00 a.m. 9 October 2017
Recommended latest time for requesting withdrawal of CREST Open Offer Entitlements and Excess CREST Open Offer Entitlements from CREST	4.30 p.m. on 23 October 2017
Latest time and date for depositing CREST Open Offer Entitlements into CREST	3.00 p.m. 24 October 2017
Latest time and date for splitting of Application Forms (to satisfy <i>bona fide</i> market claims only)	3.00 p.m. on 25 October 2017
Latest time and date for receipt of the Form of Instruction for, or placing of a CREST instruction in relation to, the General Meeting	11.00 a.m. on 25 October 2017
Latest time and date for receipt of completed Forms of Proxy to be valid at the General Meeting	11.00 a.m. on 26 October 2017
Latest time and date for receipt of completed Application Forms from Qualifying Shareholders and payment in full under the Open Offer or settlement of relevant CREST instruction (as appropriate)	11.00 a.m. on 27 October 2017
General Meeting	11.00 a.m. on 30 October 2017
Announcement of result of General Meeting	30 October 2017
Results of Open Offer announced through an RIS	30 October 2017

Expected date for Admission and commencement of dealings in the New Shares on AIM	31 October 2017
Expected date for CREST accounts to be credited in respect of the New Shares to be held in uncertificated form in the form of Depositary Interests	31 October 2017
Expected date for the despatch of definitive certificates in respect of the New Shares to be held in certificated form	within 14 days of Admission

**Notes:**

1. All references to time in this document are to London (UK) time unless otherwise stated.
2. The dates and times given in this document are based on the Company's current expectations and may be subject to change. If any of the above times or dates should change, the revised times and/or dates will be notified to Shareholders by an announcement on a Regulatory Information Service.

**IMPORTANT NOTICE**

No action has been taken by the Company, Numis, Shore Capital or any of their respective affiliates, that would, or which is intended to, permit a public offer of the Placing Shares in any jurisdiction or the possession or distribution of this announcement or any other offering or publicity material relating to the Placing Shares in any jurisdiction where action for that purpose is required. Any failure to comply with these restrictions may constitute a violation of the securities laws of such jurisdictions. Persons into whose possession this announcement comes shall inform themselves about, and observe such restrictions.

No prospectus will be made available in connection with the matters contained in this announcement and no such prospectus is required (in accordance with the Prospectus Directive) to be published.

THIS ANNOUNCEMENT, INCLUDING THE APPENDIX AND THE INFORMATION CONTAINED HEREIN, IS FOR INFORMATION PURPOSES ONLY, IS NOT INTENDED TO AND DOES NOT CONSTITUTE OR FORM PART OF ANY OFFER OR INVITATION TO PURCHASE OR SUBSCRIBE FOR, UNDERWRITE, SELL OR ISSUE OR THE SOLICITATION OF AN OFFER TO PURCHASE OR SUBSCRIBE, SELL, ACQUIRE, DISPOSE OF THE PLACING SHARES OR ANY OTHER SECURITY IN THE UNITED STATES, AUSTRALIA, NEW ZEALAND, CANADA, JAPAN OR THE REPUBLIC OF SOUTH AFRICA OR IN ANY JURISDICTION IN WHICH, OR TO ANY PERSONS TO WHOM, SUCH OFFERING, SOLICITATION OR SALE WOULD BE UNLAWFUL.

Numis Securities Limited and Shore Capital Stockbrokers Limited are authorised and regulated in the United Kingdom by the FCA and are acting exclusively for the Company in connection with the Placing and no one else and will not be responsible to anyone other than the Company for providing the protections afforded to their clients nor for providing advice to any other person in relation to the Placing and/or any other matter 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 Numis, Shore Capital or the Company or any of their respective affiliates or any of their respective directors, officers, employees, advisers or representatives (collectively, "Representatives") 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 therefor is expressly disclaimed.

This announcement does not identify or suggest, or purport to identify or suggest, the risks (direct or indirect) that may be associated with an investment in the Placing Shares. Any investment decision to buy Placing Shares in the Placing must be made solely on the basis of publicly available information, which has not been independently verified by Numis or Shore Capital.

This announcement contains certain forward-looking statements, beliefs or opinions, with respect to certain of the Company's current expectations and projections about future prospects, developments, strategies, performance, anticipated events or trends and other matters that are not historical facts. These forward-looking statements, which sometimes use words such as "aim", "anticipate", "believe", "intend", "plan", "estimate", "expect" and words of similar meaning, include all matters that are not historical facts and reflect the directors' beliefs and expectations and involve a number of risks, uncertainties and assumptions 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. Statements contained in this announcement regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. The information contained in this announcement is subject to change without notice and, except as required by applicable law, neither the Company nor Numis nor Shore Capital nor any of their respective affiliates nor any of their respective Representatives assumes any responsibility or obligation to update, amend or revise publicly or review any of the forward-looking statements contained in this announcement. You should not place undue reliance on forward-looking statements, which speak only as of the date of this announcement. Any indication in this announcement of the price at which Placing Shares have been bought or sold in the past cannot be relied upon as a guide to future performance. No statement in this announcement is or is intended to be a profit forecast or profit estimate or to imply that the earnings of the Company for the current or future financial years will necessarily match or exceed the historical or published earnings of the Company. Past performance of the Company cannot be relied on as a guide to future performance and persons reading this announcement are cautioned not to place undue reliance on such forward-looking statements.

The price of Ordinary Shares and any income from them may go down as well as up and investors may not get back the full amount invested on disposal of the Ordinary Shares.

The Placing Shares to be issued pursuant to the Placing will not be admitted to trading on any stock exchange other than the AIM Market operated by the London Stock Exchange.

Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this announcement.

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

### **IMPORTANT INFORMATION FOR PLACEES ONLY REGARDING 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, CANADA, AUSTRALIA, NEW ZEALAND, JAPAN OR THE REPUBLIC OF SOUTH AFRICA OR ANY OTHER JURISDICTION IN WHICH SUCH PUBLICATION OR DISTRIBUTION WOULD BE UNLAWFUL.

### **IMPORTANT INFORMATION ON THE PLACING FOR INVITED PLACEES ONLY.**

MEMBERS OF THE PUBLIC ARE NOT ELIGIBLE TO TAKE PART IN THE PLACING. THIS ANNOUNCEMENT (INCLUDING THE APPENDIX) AND THE TERMS AND CONDITIONS SET OUT HEREIN ARE FOR INFORMATION PURPOSES ONLY AND ARE DIRECTED ONLY AT: (A) PERSONS IN MEMBER STATES OF THE EUROPEAN ECONOMIC AREA WHO ARE QUALIFIED INVESTORS AS DEFINED IN SECTION 86(7) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000, AS AMENDED, ("QUALIFIED INVESTORS") BEING PERSONS FALLING WITHIN THE MEANING OF 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"); (B) IN THE UNITED KINGDOM, QUALIFIED INVESTORS WHO ARE PERSONS WHO (I) FALL WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005, AS AMENDED (THE "ORDER"); (II) FALL WITHIN ARTICLE 49(2)(A) TO (D) ("HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS, ETC") OF THE ORDER; OR (III) ARE PERSONS TO WHOM IT MAY OTHERWISE BE LAWFULLY COMMUNICATED (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS "RELEVANT PERSONS"). THIS ANNOUNCEMENT 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 ANNOUNCEMENT AND THE TERMS AND CONDITIONS SET OUT HEREIN RELATES IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS.

THIS ANNOUNCEMENT, INCLUDING THIS APPENDIX, IS FOR INFORMATION PURPOSES ONLY AND DOES NOT ITSELF CONSTITUTE AN OFFER FOR SALE OR SUBSCRIPTION OF ANY SECURITIES IN THE COMPANY. THIS ANNOUNCEMENT HAS BEEN ISSUED BY AND IS THE SOLE RESPONSIBILITY OF THE COMPANY.

THIS ANNOUNCEMENT, INCLUDING THIS APPENDIX, IS NOT AN OFFER FOR SALE OR SUBSCRIPTION IN ANY JURISDICTION IN WHICH SUCH OFFER, SOLICITATION OR SALE WOULD BE UNLAWFUL UNDER THE SECURITIES LAWS OF ANY SUCH JURISDICTION. THIS ANNOUNCEMENT, INCLUDING THIS APPENDIX, IS NOT AN OFFER OF OR SOLICITATION TO PURCHASE OR SUBSCRIBE FOR SECURITIES IN THE UNITED STATES. THE SECURITIES REFERRED TO HEREIN HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. NEITHER THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION NOR ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES HAS APPROVED OR DISAPPROVED OF AN INVESTMENT IN THE SECURITIES

OR PASSED UPON OR ENDORSED THE MERITS OF THE PLACING OR THE ACCURACY OR ADEQUACY OF THE CONTENTS OF THIS ANNOUNCEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES. NO PUBLIC OFFERING OF SECURITIES IS BEING MADE IN THE UNITED STATES. NO MONEY, SECURITIES OR OTHER CONSIDERATION FROM ANY PERSON INSIDE THE UNITED STATES IS BEING SOLICITED AND, IF SENT IN RESPONSE TO THE INFORMATION CONTAINED IN THIS ANNOUNCEMENT, WILL NOT BE ACCEPTED.

EACH PLACEE SHOULD CONSULT WITH ITS OWN ADVISERS AS TO LEGAL, TAX, BUSINESS AND RELATED ASPECTS OF AN INVESTMENT IN NEW SHARES. THE PRICE OF SHARES IN THE COMPANY 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.

Persons who are invited to and who choose to participate in the Placing, by making (or on whose behalf there is made) an oral or written offer to subscribe for Placing Shares (the "Placees"), will be deemed to have read and understood this Announcement, including this Appendix, in its entirety and to be making such offer on the terms and conditions, and to be providing the representations, warranties, acknowledgements, and undertakings contained in this Appendix. In particular, each such Placee represents, warrants and acknowledges that:

1. it is a Relevant Person (as defined above) and undertakes that it will acquire, hold, manage or dispose of any Placing Shares that are allocated to it for the purposes of its business;
2. 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 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 ("EEA") which has implemented the Prospectus Directive other than Qualified Investors or in circumstances in which the prior consent of the Joint Brokers 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; and/or
3. (a) (i) it is not in the United States and (ii) it is not acting for the account or benefit of a person in the United States, (b) it is a dealer or other professional fiduciary in the United States acting on a discretionary basis for a non-US person (other than an estate or trust) in reliance on Regulation S under the Securities Act; or (c) it is otherwise acquiring the New Shares in an "offshore transaction" meeting the requirements of Regulation S under the Securities Act.

The Company and each of the Joint Brokers will rely upon the truth and accuracy of the foregoing representations, acknowledgements and agreements.

This Announcement does not constitute an offer, and may not be used in connection with an offer, to sell or issue or the solicitation of an offer to buy or subscribe for Placing Shares in any jurisdiction in which such offer or solicitation is or may be unlawful. This Announcement and the information contained herein is not for publication or distribution, directly or indirectly, to persons in the United States, Canada, Australia, New Zealand, Japan or the Republic of South Africa or in any jurisdiction in which such publication or distribution is unlawful. Persons into whose possession this Announcement may come are required by the Company to inform themselves about and to observe any restrictions of transfer of this Announcement. No public offer of securities of the Company is being made in the United Kingdom, the United States or elsewhere.

In particular, the Placing Shares referred to in this Announcement have not been and will not be registered under the Securities Act or any laws of, or with any securities regulatory authority of, any state or other jurisdiction of the United States, and may not be offered, sold, pledged or otherwise transferred within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and the securities laws of any state or other jurisdiction of the United States. The Placing Shares are being offered and sold outside the United States in accordance with Regulation S under the Securities Act.

The Placing Shares have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission or other regulatory authority in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the Placing or the accuracy or adequacy of this Announcement. Any representation to the contrary is a criminal offence in the United States.

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; 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 Canada, Australia, New Zealand, Japan 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 Canada, Australia, New Zealand, Japan or the Republic of South Africa or any other jurisdiction outside the United Kingdom.

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.

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

### **Details of the Placing**

Each of the Joint Brokers have entered into the Placing and Open Offer Agreement with the Company under which the Joint Brokers have severally agreed, on the terms and subject to the conditions set out therein, and undertaken to use their respective reasonable endeavours to procure, as the Company's agent for the purpose of the Placing, subscribers for the Placing Shares at the Issue Price.

The Placing and Open Offer Agreement contains customary undertakings and warranties given by the Company to each of the Joint Brokers including as to the accuracy of information contained in this Announcement, to matters relating to the Company and its business and a customary indemnity given by the Company to each of the Joint Brokers in respect of liabilities arising out of or in connection with the Placing and Open Offer.

The Placing and Open Offer is conditional upon, amongst other things, the Resolutions being passed by the requisite majorities at the General Meeting. A circular explaining the background to and reasons for the Placing and Open Offer, and containing the Notice of General Meeting will be sent to shareholders. A copy of the Circular and the Notice of General Meeting will also be available from the Company's website at: <http://www.rqih.com/>.

The Placing and Open Offer is also conditional upon, amongst other things, Admission becoming effective and the Placing and Open Offer Agreement not being terminated in accordance with its terms.

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

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

Application will be made to the London Stock Exchange for Admission. Subject to, amongst other things, the Resolutions being passed by the requisite majorities at the General Meeting, it is expected that

settlement of the New Shares and Admission will become effective on or around 31 October 2017 and that dealings in the New Shares will commence at that time.

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

1. Numis (whether through itself or any of its affiliates) and Shore Capital (whether through itself or any of its affiliates) are arranging the Placing as placing agents and Joint Brokers of the Company for the purpose of using their reasonable endeavours to procure Placees at the Issue Price for the Placing Shares.
2. Participation in the Placing will only be available to persons who may lawfully be, and are, invited to participate by each of the Joint Brokers. Each of the Joint Brokers and their affiliates may participate in the Placing as principals.
3. 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.
4. The Issue Price will be a fixed price of 129 pence per new Ordinary Share.
5. An offer to acquire Placing Shares, which has been communicated by a prospective Placee to the relevant Joint Broker which has not been withdrawn or revoked prior to publication of this Announcement, shall not be capable of withdrawal or revocation immediately following the publication of this Announcement without the consent of the Joint Brokers.
6. Each Placee's allocation will be confirmed to Placees orally by the relevant Joint Broker, and evidenced by a trade confirmation or contract note which will be dispatched as soon as practicable thereafter. The terms of this Appendix will be deemed incorporated by reference therein. The oral confirmation to such Placee will constitute an irrevocable legally binding commitment upon such person (who will at that point become a Placee) in favour of the Joint Brokers and the Company, under which it agrees to acquire the number of Placing Shares allocated to it at the Issue Price on the terms and conditions set out in this Appendix and in accordance with the Company's articles of association. Except as required by law or regulation, no press release or other announcement will be made by each of the Joint Brokers 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.
7. Each Placee will have an immediate, separate, irrevocable and binding obligation, owed to each of the Joint Brokers, to pay in cleared funds immediately on the settlement date, in accordance with the registration and settlement requirements set out below, an amount equal to the product of the Issue Price and the number of Placing Shares such Placee has agreed to take up and the Company has agreed to allot.
8. 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 times and on the basis explained below under "Registration and Settlement".
9. All obligations under the Placing will be subject to fulfilment or (where applicable) waiver of, amongst other things, the conditions referred to below under "Conditions of the Placing" and to the Placing not being terminated on the basis referred to below under "Right to terminate under the Placing and Open Offer Agreement".
10. By participating in the Placing, each Placee will agree that its rights and obligations in respect of the Placing will terminate only in the circumstances described below and will not be capable of rescission or termination by the Placee.
11. To the fullest extent permissible by law, none of the Company, Numis, Shore Capital or any of their respective affiliates shall have any liability to Placees (or to any other person whether acting on behalf of a Placee or otherwise) under these terms and conditions. In particular, none

of the Company, Numis, Shore Capital or any of their respective affiliates shall have any liability (including to the fullest extent permissible by law, any fiduciary duties) in respect of Numis' or Shore Capital's conduct of the Placing. Each Placee acknowledges and agrees that the Company is responsible for the allotment of the Placing Shares to the Placees and neither Numis nor Shore Capital shall have any liability to the Placees for the failure of the Company to fulfil those obligations.

### **Conditions of the Placing**

Numis' and Shore Capital's obligations under the Placing and Open Offer Agreement are conditional on, inter alia:

- (a) the Company allotting, subject only to Admission, the New Shares in accordance with the Placing and Open Offer Agreement;
- (b) Admission taking place not later than 8.00 a.m. on 31 October 2017 or such other time and/or date as may be agreed between the Company and the Joint Brokers, not being later than 8.30 a.m. on 24 November 2017; and
- (c) the passing of the Resolutions at the General Meeting (without any amendment save as may be approved by the Joint Brokers).

If (i) any of the conditions contained in the Placing and Open Offer Agreement is not fulfilled or waived by Numis and Shore Capital by the time or date where specified (or such later time or date as the Company, Numis and Shore Capital may agree, not being later than 8.30 a.m. on 24 November 2017 (the "**Final Date**"), or (ii) the Placing and Open Offer Agreement is terminated as described below, the Placing and Open Offer will lapse 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 Joint Brokers may, in their absolute discretion, waive, or extend the period (up to the Final Date) 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 and Open Offer Agreement, save that the condition relating to Admission taking place may not be waived and the period for compliance with such conditions may not be extended. Any such extension or waiver will not affect Placees' commitments as set out in this Announcement.

Neither Numis, Shore Capital nor the Company 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 each of Numis and Shore Capital.

### **Right to terminate under the Placing and Open Offer Agreement**

Either of the Joint Brokers may in their absolute discretion, at any time before Admission and after such consultation with the Company and the other Joint Broker as the circumstances allow, terminate the Placing and Open Offer Agreement by giving notice to the Company in certain circumstances, including, inter alia:

- (a) in the opinion of the Joint Broker (acting in good faith), the warranties given by the Company to Numis and Shore Capital are not true and accurate or have become misleading (or would not be true and accurate or would be misleading if they were repeated at any time before Admission) by reference to the facts subsisting at the time when the notice referred to above is given, in each case in a way that is material in the context of the Placing and Open Offer; or

- (b) in the opinion of the Joint Broker (acting in good faith), the Company fails to comply with any of its obligations under the Placing and Open Offer Agreement and that failure is material in the context of the Placing and Open Offer; or
- (c) in the opinion of the Joint Broker (acting in good faith), there has been a development or event (or any development or event involving a prospective change which will or is reasonably likely to have a material adverse effect on or affecting the operations, the condition (financial or otherwise), prospects, management, results of operations, financial position, business or general affairs of the Company or the Group respectively whether or not foreseeable and whether or not arising in the ordinary course of business, which in each case is material in the context of the Placing and Open Offer; or
- (d) there has been a change in national or international financial, political, economic or stock market conditions (primary or secondary); an incident of terrorism, outbreak or escalation of hostilities, war, declaration of martial law or any other calamity or crisis; a suspension or material limitation in trading of securities generally on any stock exchange; any change in currency exchange rates or exchange controls or a disruption of settlement systems or a material disruption in commercial banking, in each case as would be likely in the opinion of the Joint Broker (acting in good faith) to prejudice the success of the Placing and/or Open Offer.

The rights and obligations of the Placees shall terminate only in the circumstances described in these terms and conditions and in the Placing and Open Offer Agreement and will not be subject to termination by the Placee or any prospective Placee at any time or in any circumstances. By participating in the Placing, Placees agree that the exercise by Numis and Shore Capital of any right of termination or other discretion under the Placing and Open Offer Agreement shall be within the absolute discretion of Numis and Shore Capital, and that they need not make any reference to Placees and that Numis and Shore Capital shall have no liability to Placees whatsoever in connection with any such exercise or decision not to exercise. Placees will have no rights against Numis, Shore Capital, the Company or any of their respective directors or employees under the Placing and Open Offer Agreement pursuant to the Contracts (Rights of Third Parties) Act 1999 (as amended).

#### **No admission document or prospectus**

The Placing Shares are being offered to a limited number of specifically invited persons only and will not be offered in such a way as to require an admission document or prospectus in the United Kingdom or in any other jurisdiction. No offering document, admission document or prospectus has been or will be submitted to be approved by the FCA or submitted to the London Stock Exchange in relation to the Placing and Open Offer, and Placees' commitments will be made solely on the basis of the information contained in the Announcement (including this Appendix in relation to the Placing Shares) and the Exchange Information (as defined further below). 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, Numis, Shore Capital or any other person and neither Numis, Shore Capital, 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 Numis, Shore Capital, 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, Numis nor Shore Capital 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**

Settlement of transactions in the Placing Shares (ISIN: BMG7 371X 1065) following Admission will take place within CREST provided that, subject to certain exceptions, Numis and Shore Capital reserve the right to require settlement for, and delivery of, Depositary Interests representing 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.

Each Placee allocated Placing Shares in the Placing will be sent a trade confirmation or contract note stating the number of Placing Shares allocated to it at the Issue Price, the aggregate amount owed by such Placee to the relevant Joint Broker (as agent for the Company) and settlement instructions. Each Placee agrees that it will do all things necessary to ensure that delivery and payment is completed in accordance with either the CREST or certificated settlement instructions that it has in place with the relevant Joint Broker.

It is expected that settlement in respect of the Placing Shares will be on 31 October 2017 on a T+26 basis in accordance with the instructions set out in the trade 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 two percentage points above LIBOR as determined by the Joint Brokers.

Each Placee is deemed to agree that, if it does not comply with these obligations, the relevant Joint 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 relevant Joint 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 relevant Joint Broker (as agent for the Company) 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 to the relevant Joint Broker, each Placee confers on the relevant Joint Broker all such authorities and powers necessary to carry out any such sale and agrees to ratify and confirm all actions which the relevant Joint Broker lawfully takes in pursuance of such sale.

If Placing Shares are to be delivered to a custodian or settlement agent, Placees should ensure that the trade confirmation or contract note 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. 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 Company and the Joint Brokers, namely that, each Placee (and any person acting on such Placee's behalf):

1. represents and warrants that it has read and understood the Announcement, including this Appendix, in its entirety and that its subscription 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. acknowledges that no offering document, admission document or prospectus has been prepared in connection with the Placing and represents and warrants that it has not received

and will not receive a prospectus, admission document or other offering document in connection therewith;

3. acknowledges that the Ordinary Shares are admitted to trading on AIM and the Company is therefore required to publish certain business and financial information in accordance with the AIM Rules (collectively “**Exchange Information**”), which includes a description of the nature of the Company's business and the Company's most recent balance sheet and profit and loss account and that the Placee is able to obtain or access such information or comparable information concerning any other publicly traded company without undue difficulty;
4. acknowledges that none of Numis, Shore Capital, the Company nor any of their respective affiliates or any person acting on behalf of any of them has provided it, and will not provide it, with any material regarding the Placing Shares or the Company other than this Announcement; nor has it requested any of Numis, Shore Capital, the Company, their respective affiliates or any person acting on behalf of any of them to provide it with any such information and has read and understood the Exchange Information;
5. acknowledges that the content of this Announcement is exclusively the responsibility of the Company, and that none of Joint Brokers, their respective affiliates or any person acting on its or their behalf has or shall have any liability for any information, representation or statement contained in this Announcement or any information previously or concurrently published by or on behalf of the Company, and will not be liable for any Placee's decision to participate in the Placing based on any information, representation or statement contained in this Announcement or otherwise. Each Placee further represents, warrants and agrees that the only information on which it is entitled to rely and on which such Placee has relied in committing itself to acquire the Placing Shares is contained in this Announcement and any Exchange Information, such information being all that it deems necessary to make an investment decision in respect of the Placing Shares and that it has neither received nor relied on any other information given or representations, warranties or statements made by Numis, Shore Capital, the Company or any of their respective directors, officers or employees or any person acting on behalf of any of them, or, if received, it has not relied upon any such information, representations, warranties or statements (including any management presentation that may have been received by any prospective Placee or any material prepared by the respective Research Department of Numis or Shore Capital (the views of such Research Departments not representing and being independent from those of the Company and the respective Corporate Finance Department of Numis or Shore Capital and not being attributable to the same)), and neither Numis, Shore Capital nor the Company will be liable for any Placee's decision to accept an invitation to participate in the Placing based on any other information, representation, warranty or statement. Each Placee further acknowledges and agrees that it may not place the same degree of reliance on this Announcement as it may otherwise place on a prospectus or admission document. Each Placee further acknowledges and agrees that it has relied solely on its own investigation of the business, financial or other position of the Company in deciding to participate in the Placing and it will not rely on any investigation that Numis, Shore Capital, their affiliates or any other person acting on its or their behalf has or may have conducted;
6. represents and warrants that it has neither received nor relied on any confidential price sensitive information concerning the Company in accepting this invitation to participate in the Placing;
7. acknowledges that the Joint Brokers do not have any duties or responsibilities to it, or its clients, similar or comparable to the duties of “best execution” and “suitability” imposed by the Conduct of Business Sourcebook in the FCA's Handbook of Rules and Guidance and that the Joint Brokers are not acting for them or their clients and that the Joint Brokers will not be responsible for providing protections to it or its clients;
8. acknowledges that none of Numis, Shore Capital nor any of their affiliates or any person acting on behalf of them has or shall have any liability for the Exchange Information, any publicly available or filed information or any representation relating to the Company, provided that nothing in this paragraph excludes the liability of any person for fraudulent misrepresentation made by that person;

9. neither Numis, Shore Capital, the ultimate holding company of Numis or Shore Capital nor any direct or indirect subsidiary undertakings of such holding company, nor any of their respective directors and employees shall be liable to Placees for any matter arising out of Numis' and Shore Capital's role as placing agents or otherwise in connection with the Placing and that where any such liability nevertheless arises as a matter of law each Placee will immediately waive any claim against any of such persons which it may have in respect thereof;
10. represents and warrants that (i) it is not in the United States and (ii) it is not acting for the account or benefit of a person in the United States;
11. acknowledges that the Placing Shares are being offered and sold only pursuant to Regulation S under the Securities Act in a transaction not involving a public offering of securities in the United States and the Placing Shares have not been and will not be registered under the Securities Act or with any state or other jurisdiction of the United States, nor approved or disapproved by the US Securities and Exchange Commission, any state securities commission in the United States or any other United States regulatory authority, and that the offer and sale of the Placing Shares to it has been made outside of the United States in an 'offshore transaction' (as such term is defined in Regulation S under the Securities Act) and agrees not to 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;
12. unless otherwise specifically agreed in writing with the Joint Brokers, represents and warrants that neither it nor the beneficial owner of such Placing Shares will be a resident of Canada, Australia, New Zealand, Japan or the Republic of South Africa;
13. acknowledges that the Placing Shares have not been and will not be registered under the securities legislation of Canada, Australia, New Zealand, Japan or the Republic of South Africa and, subject to certain exceptions, may not be offered, sold, taken up, renounced or delivered or transferred, directly or indirectly, within those jurisdictions;
14. represents and warrants that the issue to it, or the person specified by it for registration as holder, of Placing Shares will not give rise to a liability under any of sections 67, 70, 93 or 96 of the Finance Act 1986 (depository receipts and clearance services) and that the Placing Shares are not being acquired in connection with arrangements to issue depository receipts or to transfer Placing Shares into a clearance system;
15. represents and warrants that: (i) it has complied with its obligations under the Criminal Justice Act 1993 and Part VIII of FSMA; (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 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 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 Joint Brokers such evidence, if any, as to the identity or location or legal status of any person which the Joint Brokers 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 Joint Brokers on the basis that any failure by it to do so may result in the number of Placing Shares that are to be purchased by it or at its direction pursuant to the Placing being reduced to such number, or to nil, as the Joint Brokers may decide in their sole discretion;

16. if a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, represents and warrants that the Placing Shares purchased by it in the Placing will not be acquired on a non-discretionary basis on behalf of, nor will they be acquired with a view to their offer or resale to, persons in a Member State of the European Economic Area which has implemented the Prospectus Directive other than Qualified Investors, or in circumstances in which the prior consent of the Joint Brokers has been given to the offer or resale;
17. represents and warrants that it has not offered or sold and will not offer or sell any Placing Shares to persons in the European Economic Area prior to Admission except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their business or otherwise in circumstances which have not resulted in and which will not result in an offer to the public in any member state of the European Economic Area within the meaning of the Prospectus Directive (including any relevant implementing measure in any member state);
18. represents and warrants that it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) relating to the Placing Shares in circumstances in which section 21(1) of the FSMA does not require approval of the communication by an authorised person;
19. represents and warrants that it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Placing Shares in, from or otherwise involving, the United Kingdom;
20. if in a Member State of the European Economic Area, unless otherwise specifically agreed with the Joint Brokers in writing, represents and warrants that it is a Qualified Investor within the meaning of the Prospectus Directive;
21. if in the United Kingdom, represents and warrants that it is a person (i) who has professional experience in matters relating to investments falling within Article 19(1) of the Order; (ii) falling within Article 49(2)(A) to (D) ("High Net Worth Companies, Unincorporated Associations, etc.") of the Order; or (iii) to whom this Announcement may otherwise be lawfully communicated;
22. represents and warrants that it and any person acting on its behalf is entitled to acquire the Placing Shares under the laws of all relevant jurisdictions and that it has all necessary capacity and has obtained all necessary consents and authorities and taken any other necessary actions to enable it to commit to this participation in the Placing and to perform its obligations in relation thereto (including, without limitation, in the case of any person on whose behalf it is acting, all necessary consents and authorities to agree to the terms set out or referred to in this Appendix) and will honour such obligations;
23. where it is acquiring Placing Shares for one or more managed accounts, represents and warrants that 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 Joint Brokers;
24. undertakes that it (and any person acting on its behalf) will make payment to the relevant Joint Broker for the Placing Shares allocated to it in accordance with this Announcement on the due time and date set out herein, failing which the relevant Placing Shares may be placed with other subscribers or sold as the relevant Joint Broker may in its sole discretion determine and without liability to such Placee and it will remain liable and will indemnify the relevant Joint Broker on demand for any shortfall below the net proceeds of such sale and the placing proceeds of such Placing Shares and may be required to bear the liability for any stamp duty or stamp duty reserve tax or security transfer tax (together with any interest or penalties due pursuant to or referred to in these terms and conditions) which may arise upon the placing or sale of such Placee's Placing Shares on its behalf;

25. acknowledges that none of Numis, Shore Capital, any of their affiliates, or any person acting on behalf of any of them, is making any recommendations to it, advising it regarding the suitability of any transactions it may enter into in connection with the Placing and that participation in the Placing is on the basis that it is not and will not be treated for these purposes as a client of either Numis or Shore Capital and that Numis and Shore Capital do not have any duties or responsibilities to it for providing the protections afforded to their clients or customers or for providing advice in relation to the Placing nor in respect of any representations, warranties, undertakings or indemnities contained in the Placing and Open Offer Agreement nor for the exercise or performance of any of their rights and obligations thereunder including any rights to waive or vary any conditions or exercise any termination right;
26. undertakes that the person whom it specifies for registration as holder of the Placing Shares will be (i) itself or (ii) its nominee, as the case may be. Neither Numis, Shore Capital nor the Company will be responsible for any liability to stamp duty or stamp duty reserve tax resulting from a failure to observe this requirement. Each Placee and any person acting on behalf of such Placee agrees to participate in the Placing and it agrees to indemnify the Company, Numis and Shore Capital in respect of the same on the basis that the Depository Interests representing Placing Shares will be credited to the CREST stock account of the relevant Joint Broker who will hold them as nominee on behalf of such Placee until settlement in accordance with its standing settlement instructions;
27. acknowledges that these terms and conditions and any agreements entered into by it pursuant to these terms and conditions and any non-contractual obligations arising out of or in connection with such agreement 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 (including non-contractual matters) 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, Numis or Shore Capital in any jurisdiction in which the relevant Placee is incorporated or in which any of its securities have a quotation on a recognised stock exchange;
28. acknowledges that time shall be of the essence as regards to obligations pursuant to this Appendix;
29. agrees that the Company, Numis, Shore Capital and their respective affiliates and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and undertakings which are given to Numis on its own behalf, to Shore Capital on its own behalf and on behalf of the Company and are irrevocable and are irrevocably authorised to produce this Announcement or a copy thereof to any interested party in any administrative or legal proceeding or official inquiry with respect to the matters covered hereby;
30. agrees to indemnify on an after-tax basis and hold the Company, Numis, Shore Capital 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 provisions of this Appendix shall survive after completion of the Placing;
31. acknowledges that no action has been or will be taken by any of the Company, Numis, Shore Capital or any person acting on behalf of the Company, Numis or Shore Capital that would, or is intended to, permit a public offer of the Placing Shares in any country or jurisdiction where any such action for that purpose is required;
32. acknowledges that it is an institution that has knowledge and experience in financial, business and international investment matters as is required to evaluate the merits and risks of subscribing for the Placing Shares. It further acknowledges that it is experienced in investing in securities of this nature and in this sector 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. It has relied upon its own examination and due diligence of the Company and its associates taken as a whole, and the terms of the Placing, including the merits and risks involved;

33. acknowledges that its commitment to subscribe for Placing Shares on the terms set out herein and in the trade confirmation or contract note will continue notwithstanding any amendment that may in future be made to the terms of the Placing and that Placees will have no right to be consulted or require that their consent be obtained with respect to the Company's conduct of the Placing;
34. acknowledges that Numis, Shore Capital or any of their affiliates acting as an investor for their own account may take up shares in the Company and in that capacity may retain, purchase or sell for its own account such shares and may offer or sell such shares other than in connection with the Placing;
35. represents and warrants that, if it is a pension fund or investment company, its purchase of Placing Shares is in full compliance with all applicable laws and regulation; and
36. to the fullest extent permitted by law, it acknowledges and agrees to the disclaimers contained in the Announcement including this Appendix.

The representations, warranties, acknowledgments and undertakings contained in this Appendix are given to Numis, Shore Capital and the Company and are irrevocable and shall not be capable of termination in any circumstances.

The agreement to settle a Placee's subscription (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, Numis nor Shore Capital 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, Numis and Shore Capital in the event that any of the Company, Numis or Shore Capital has 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 Numis and Shore Capital 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 by them of any Placing Shares or the agreement by them to subscribe for any Placing Shares.

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

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

When a Placee or person acting on behalf of the Placee is dealing with the Joint Brokers, any money held in an account with the relevant Joint Broker on behalf of the Placee and/or any person acting on behalf of the Placee will not be treated as client money within the meaning of the rules and regulations of the FCA made under the FSMA. The Placee acknowledges that the money will not be subject to the protections conferred by the client money rules; as a consequence, this money will not be segregated

from the relevant Joint Broker's money in accordance with the client money rules and will be used by the relevant Joint Broker in the course of its own business and the Placee will rank only as a general creditor of the relevant Joint Broker.

All times and dates in this Announcement may be subject to amendment. The Joint Brokers shall notify the Placees and any person acting on behalf of the Placees of any changes.

Past performance is no guide to future performance and persons needing advice should consult an independent financial adviser.

## DEFINITIONS

In this Appendix to the Announcement and, as the context shall admit, in the Announcement:

**'Admission'** means the admission of all the New Shares to trading on AIM becoming affective in accordance with the AIM Rules;

**'AIM'** means the market of that name operated by the London Stock Exchange;

**'AIM Rules'** means the provisions of the London Stock Exchange's AIM Rules for Companies as amended from time to time governing, inter alia, admission to AIM and the continuing obligations of AIM companies;

**'Announcement'** means this announcement (including the Appendix to this announcement) relating to the Placing and Open Offer;

**'Company'** means Randall & Quilter Investment Holdings Limited;

**'CREST'** means the relevant system (as defined in the CREST Regulations) in respect of which Euroclear UK & Ireland Limited is the Operator (as defined in the CREST Regulations);

**'CREST Regulations'** means the Uncertificated Securities Regulations 2001 (SI 2001/3755) as amended from time to time;

**'Depository Interests'** means the dematerialised depository interests issued in CREST in respect of Ordinary Shares;

**'Directors'** means the directors of the Company as at the date of this Announcement;

**'Excluded Overseas Shareholders'** means Shareholders with registered addresses in a Restricted Jurisdiction;

**'FCA'** means the Financial Conduct Authority of the United Kingdom;

**'FSMA'** means the Financial Services and Markets Act 2000 (as amended);

**'General Meeting'** means the general meeting of the Company to be convened at 11.00 a.m. on 30 October 2017 (or any adjournment thereof);

**'Issue Price'** means 129 pence per Placing Share and per Open Offer Share;

**'Joint Brokers'** means Numis and Shore Capital;

**'London Stock Exchange'** means London Stock Exchange plc;

**'New Shares'** means, together, the Placing Shares and the Open Offer Shares;

**'Notice of General Meeting'** means the notice of the General Meeting to be convened for the purposes of considering the Resolutions;

**'Numis'** means Numis Securities Limited, registered in England and Wales with company number 2285918, whose registered office is at The London Stock Exchange Building, 10 Paternoster Square, London EC4M 7LT;

**'Open Offer'** means the invitation to Qualifying Shareholders to apply to subscribe for Open Offer Shares at the Issue Price on the terms and subject to the conditions set out in the Circular;

**'Open Offer Shares'** means up to 3,309,117 Ordinary Shares to be issued to certain Shareholders who have agreed to subscribe for such Ordinary Shares pursuant to the Open Offer;

**'Ordinary Shares'** means the ordinary shares of par value two pence each in the capital of the Company, and includes, the Depositary Interests in respect of such shares;

**'Placee'** means any person (including individuals, funds or otherwise) who are to subscribe for Placing Shares pursuant to the Placing;

**'Placing'** means the proposed conditional firm placing of the Placing Shares by the Joint Brokers, on behalf of the Company, with Placees, in each case pursuant to the Placing and Open Offer Agreement;

**'Placing and Open Offer Agreement'** means the placing agreement dated 5 October 2017 between the Company and the Joint Brokers in respect of the Placing and Open Offer;

**'Placing Shares'** means the 34,883,720 new Ordinary Shares to be issued to certain investors who have agreed to subscribe for such Ordinary Shares under the Placing;

**'Prospectus Directive'** means the Directive of the European Parliament and of the Council of the European Union 2003/71/EC;

**'Qualifying Shareholders'** means Shareholders (other than Excluded Overseas Shareholders);

**'Resolutions'** means the shareholders resolutions to be proposed at the General Meeting which if approved would grant authority to the Directors to allot the New Shares;

**'Restricted Jurisdiction'** the US, Australia, Canada, Japan, New Zealand and the Republic of South Africa and any other jurisdiction in which it would be unlawful to offer the Placing Shares or the Open Offer Shares, or where the Placing and Open Offer would be required to be approved by a regulatory body;

**'Securities Act'** means the US Securities Act of 1933, as amended;

**'Shareholders'** means holders of Ordinary Shares whether such shares are held in certificated form or through Depositary Interests, as the context so requires;

**'Shore Capital'** means Shore Capital Stockbrokers Limited, registered in England and Wales with company number 01850105, whose registered office is at Bond Street House, 14 Clifford Street, London W1S 4JU;

**'United Kingdom'** or **'UK'** means the United Kingdom of Great Britain and Northern Ireland; and

**'United States'** or **'US'** means the United States of America, its territories and possessions, any state of the United States, including the District of Columbia, together with other areas that are subject to the jurisdiction of the United States.

