

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014 ("MAR"). Upon the publication of this announcement via a Regulatory Information Service ("RIS"), this inside information is now considered to be in the public domain.

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

**2 May 2018**

**Springfield Properties plc**  
("Springfield" or the "Company")

**Acquisition of Dawn Homes for a Consideration of up to £20.1 million**

**Placing to raise £15 million**

The Board of Springfield Properties (AIM: SPR), a leading housebuilder in Scotland delivering private and affordable housing, is pleased to announce that it has completed the acquisition of the issued share capital of DHomes 2014 Holdings Limited (trading as Dawn Homes), a Glasgow-based housebuilder focussed on private housing in West Central Scotland and Ayrshire, for a consideration of up to £20.1 million ("Acquisition").

The Company also announces that it has conditionally raised gross proceeds of £15 million through the placing of 12,500,000 new ordinary shares ("Placing Shares") with new and existing investors at 120 pence per Placing Share ("Placing Price"). The net proceeds will be used to partially re-finance the initial cash consideration paid in respect of the Acquisition.

**Acquisition Highlights**

- Under the terms of the Acquisition, the Company will pay an initial consideration of £17.6 million, of which:
  - £15.5 million will be settled in cash and initially financed by available headroom within the Company's existing revolving credit facility
  - £2.1 million to be satisfied by the issue of 1,750,000 new ordinary shares (the "Consideration Shares")
- An additional £2.5 million may be payable in cash, contingent on the Company receiving zoning on Dawn Homes' site at Johnstone, near Glasgow, and is expected to be financed from available free cash flow at that time
- Net debt of approximately £6.7 million was assumed by the Company following completion of the Acquisition
- The Directors believe the Acquisition will:
  - Accelerate the Company's growth
  - Be significantly earnings enhancing in its first full year
  - Expand the Company's private land bank in West Central Scotland and Ayrshire in line with stated strategy to expand into new regions
  - Provide an established supply chain in Glasgow with access to local labour and subcontractors

**Placing Highlights**

- Placing of 12,500,000 Placing Shares with new and existing investors at 120 pence per Placing Share

- The net proceeds will be used to partially re-finance the initial cash consideration paid in respect of the Acquisition
- The Placing Price represents a discount of approximately 3.2 per cent. to the closing price on 1 May 2018, being the last practicable trading day prior to the release of this announcement
- The Placing is conditional, inter alia, upon the approval of the Placing by Shareholders at a general meeting of the Company which is expected to be convened for 1:00 pm on 21 May 2018 (the “General Meeting”)

**Sandy Adam, Executive Chairman of the Company, commented on the Acquisition of Dawn Homes:**

“This was a rare opportunity to acquire a profitable company that builds great homes. Dawn Homes is a well-run business with an excellent reputation in Western Central Scotland. I am delighted that they are joining our team and welcome all their employees into our company. There is a massive need for more housing in Scotland and Springfield will play a significant part in addressing that need. We will be supporting the skilled Dawn Homes team to build more homes each year. Overall, this acquisition will enable Springfield to grow and deliver housing more widely across Scotland.”

**Innes Smith, CEO of the Company, added:**

“We are delighted to have successfully completed this placing and for the strong support received from new and existing investors. The acquisition is part of our stated strategy of accelerating growth through expansion into new areas. Through the purchase of Dawn Homes, we have gained another foothold in another part of Scotland. The focus of both companies continues to be looking after our customers, building great homes and building more homes. We look forward to updating the market on our progress.”

Application has been made for the Consideration Shares to be admitted to AIM and admission is expected to take place on 3 May 2018 at 8:00 am.

Immediately following Admission of the Consideration Shares, the Company's issued share capital will consist of 83,833,642 ordinary shares with voting rights. This figure may be used by Shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the share capital of the Company under the FCA's Disclosure Guidance and Transparency Rules.

The Circular, extracts of which are set out below, is expected to be posted in the coming days, and will provide details of, and the background to, the Acquisition and the Placing, and sets out the reasons why the Board believes that the Placing is in the best interests of the Company and its Shareholders and to seek Shareholder approval of the Resolutions at the forthcoming General Meeting.

**Expected timetable**

Consideration Shares admitted to trading on AIM	8:00 am on 3 May 2018
Posting of the Circular and Form of Proxy	3 May 2018
Latest time and date for receipt of the Forms of Proxy	1:00 pm on 17 May 2018
Time and date of General Meeting	1:00 pm on 21 May 2018
Admission and commencement of dealings in the Placing Shares	8:00 am on 22 May 2018

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

The Circular will contain further details of the expected timetable for the Placing and the General Meeting.

## Enquiries

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Terms used but not defined in this announcement shall have the meanings given to such terms in the circular.

## Further information

Copies of the Circular will be available shortly following posting on the Company's website ([www.springfield.co.uk](http://www.springfield.co.uk)) and will be available, free of charge, at the Company's registered office at Alexander Fleming House, 8 Southfield Drive, Elgin IV30 6GR during normal business hours on any weekday (public holidays excepted) up to the time of the General Meeting. Unless otherwise defined in this announcement, all defined terms used in this announcement shall have the meaning ascribed to them in the Circular.

Application has been made for the Consideration Shares to be admitted to AIM and admission is expected to take place on 3 May 2018 at 8:00 a.m. Application will be made for the Placing Shares to be admitted to AIM and admission is expected to take place on 22 May 2018 at 8:00 am.

A copy of this announcement will be published on the Company's website at <http://www.springfield.co.uk>. For the avoidance of doubt, neither the content of the Company's website nor the content of any website accessible from hyperlinks on the Company's website (or any other website) is incorporated into, or forms part of, this announcement nor, unless previously published by means of a recognised information service, should such content be relied upon in reaching a decision as to whether or not to acquire, continue to hold, or dispose of securities in the Company.

Nplus1 Singer Advisory LLP ("N+1 Singer") is acting as Nominated Adviser and broker to the Company in relation to the Placing. N+1 Singer, which is a member of the London Stock Exchange and is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting for the Company and for no one else in relation to the Placing. N+1 Singer will not be responsible to any other person for providing the protections afforded to its clients nor for advising any other person in connection with the matters contained in this announcement.

This announcement has been issued by, and is the sole responsibility of, the Company. N+1 Singer has not authorised the contents of any part of this announcement and 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 N+1 Singer, or by any of its respective affiliates or agents, as to or in relation to, the accuracy or completeness of this announcement or any other written or oral information made available to any interested party, and any liability therefore is expressly disclaimed.

All statements in this announcement other than statements of historical fact are, or may be deemed to be, "forward-looking statements". In some cases, these forward-looking statements may be identified by the use of forward-looking terminology, including the terms "targets", "believes", "estimates",

"anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology. They appear in a number of places throughout the announcement and include statements regarding the intentions, beliefs or current expectations of the Company and/or Directors concerning, among other things, the trading performance, results of operations, financial condition, liquidity, prospects and dividend policy of the Company. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. The Company's actual performance, result of operations, financial condition, liquidity and dividend policy may differ materially from the impression created by the forward-looking statements contained in this announcement. Important factors that may cause these differences include, but are not limited to, changes in economic conditions generally; changes in interest rates and currency fluctuations; impairments in the value of the Company's assets; legislative/regulatory changes; changes in taxation regimes; the availability and cost of capital for future expenditure; the availability of suitable financing; the ability of the Group to retain and attract suitably experienced personnel and competition within the industry.

This announcement or any part of it does not constitute or form part of any offer to issue or sell, or the solicitation of an offer to acquire, purchase or subscribe for, any securities in the United States (including its territories and possessions, any state of the United States and the District of Columbia). The New Ordinary Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act") or with any securities regulatory authority of any state or jurisdiction of the United States, and may not be offered, sold or transferred, directly or indirectly, in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. There will be no public offering of securities in the United States.

The New Ordinary Shares have not been and will not be registered under the relevant laws of any Restricted Jurisdiction or any state, province or territory thereof and may not be offered, sold, resold, delivered or distributed, directly or indirectly, in or into any Restricted Jurisdiction or to, or for the account or benefit of, any person with a registered address in, or who is resident or ordinarily resident in, or a citizen of, any Restricted Jurisdiction except pursuant to an applicable exemption.

This Announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014 ("MAR"). In addition, market soundings (as defined in MAR) were taken in respect of the Placing with the result that certain persons became aware of inside information (as defined in MAR), as permitted by MAR. This inside information is set out in this Announcement. Therefore, those persons that received inside information in a market sounding are no longer in possession of such inside information relating to the Company and its securities.

## **Extracts from the Circular**

### **Introduction**

The Company today announces that it has completed the acquisition of Dawn, a Glasgow-based housebuilder focussed on private housing in West Central Scotland and Ayrshire, for a total consideration of up to £20.1 million and has conditionally placed 12,500,000 new Ordinary Shares at 120 pence per share with certain new and existing investors. The Placing will raise gross proceeds for the Company of £15.0 million.

The consideration for the Acquisition comprises:

- (a) initial consideration of £17,585,000 of which £15.5 million was paid in cash, with the remaining £2.1 million to be satisfied by the issue of the Consideration Shares; and
- (b) deferred contingent consideration of up to £2.5 million in cash.

In addition, net debt of approximately £6.7 million was assumed by the Company following completion of the Acquisition.

The proceeds of the Placing are proposed to be used principally to re-finance the initial cash consideration paid in respect of the Acquisition (such initial cash consideration having been funded

largely through the Company drawing down on its existing revolving credit facility with Bank of Scotland).

The issue of the New Ordinary Shares is conditional, *inter alia*, upon the approval by Shareholders of the Resolutions to be proposed at the General Meeting of the Company convened for 21 May 2018. Subject to Shareholders approving the Resolutions to be proposed at the General Meeting, it is expected that Admission of the New Ordinary Shares will take place on or about 22 May 2018.

The New Ordinary Shares are not being offered on a pro rata basis to existing Shareholders and accordingly the Placing is conditional, *inter alia*, upon Shareholders resolving to disapply statutory pre-emption rights. A General Meeting has been convened for 1:00 pm on 21 May 2018 at which the Resolutions will be proposed to approve the allotment and issue of the New Ordinary Shares and to disapply statutory pre-emption rights in respect of such allotment. Pursuant to shareholder resolutions passed on 9 October 2017, the Directors have already been granted sufficient authority pursuant to section 551 of the Act to allot the Consideration Shares and statutory pre-emption rights in respect of the issue of the Consideration Shares have been disapplied pursuant to s570(1) of the Act.

The purpose of this announcement is to provide further details on the Placing and explain the background to and reasons for the Placing and why the Directors consider the Placing to be in the best interests of the Company and its Shareholders as a whole and why the Directors unanimously recommend that you vote in favour of the Resolutions to be proposed at the General Meeting, notice of which is expected to be posted in the coming days.

## **Background to and reasons for the Acquisition and Placing**

### Background to the Group

Springfield Properties plc is an award winning housebuilder focussed on developing a mix of private and affordable housing in Scotland. The Group's business model focusses on securing land for residential use which often requires considerable remediation works and significant investment in infrastructure prior to commencing development of private or affordable houses.

The Group offers both private and affordable housing through its two operating divisions. In addition to developing affordable housing on new private developments under Section 75 agreements, the Affordable division also includes developments which consist entirely of affordable housing using a proven business model.

Prior to the Acquisition the Group's existing land bank was located in the North East and Central Belt of Scotland.

### Information on the Acquisition

#### *Overview*

Dawn Homes, which commenced trading in 1984, is a Glasgow-based housebuilder focussed on private housing in West Central Scotland and Ayrshire with an established brand and strong management. The Dawn Group sold 87 houses in the year ended 31 January 2018 at an adjusted average selling price of approximately £220,000 (adjusted to exclude 8 properties completed through Dawn Homes' joint venture with Housing Growth Partnership). Dawn Homes has 49 employees.

#### *Land bank*

The Dawn Group has a land bank of 1,410 plots, of which 47 per cent. have planning permission. The total GDV of the land bank is approximately £295 million, and equates to approximately 15 years of development at current rates of activity.

The Dawn Group has six active sites representing 452 units with a target gross margin of around 17 per cent. The Company expects to generate a gross margin of 19 per cent. on the 958 units expected to be constructed on future sites, of which 205 units have planning. The Board expects two of Dawn Homes' future sites to become active in the year ending 31 May 2019.

In relation to the composition of the Dawn Group's land bank, 60 per cent. is owned and 34 per cent. is contracted. The balance of 6 per cent. relates to a single site at Cambuslang held by Dawn Homes' joint venture with Housing Growth Partnership.

### *Financial information*

In the year to 31 January 2018 Dawn Homes sold 87 homes, plus a further 8 through its joint venture with Housing Growth Partnership. Under Springfield's ownership and with further working capital investment, there are plans to grow annual unit sales to 130 in the year ending 31 May 2020. The Dawn Group had revenue of £22.4 million, EBITDA of £2.3 million, operating profit of £2.3 million (both before the contribution of Dawn Homes' joint venture) and profit before tax and exceptional items of £2.2 million in the year ended 31 January 2018.

In the three years to 31 January 2018 the Dawn Group had an adjusted average gross margin of 17 per cent. after adjustment for exceptional land sales in the year ended 31 January 2017. With increased scale, gross margins are also expected to rise with admin expenses remaining constant.

As at 30 April 2018 the Dawn Group had net assets of approximately £17 million, £26.8 million of assets that related to active sites and net debt of approximately £6.7 million.

### *Rationale for the Acquisition*

The Acquisition is expected to accelerate the Company's growth and to significantly enhance earnings per share in its first full year before consideration of potential synergies. The Board considered the terms of the Acquisition and the valuation of Dawn Homes were attractive given it expands the Company's land bank in Western Scotland in line with its stated strategy to enter new regions. Furthermore, the acquisition of an established housebuilder has the advantage of being able to benefit from existing supply chains with access to labour and subcontractors in the local area whilst strengthening the Company's private housebuilding land bank.

### *The enlarged group*

Following the Acquisition, the Group has a land bank GDV of £2.3 billion equating to 17 years of development at current rates of activity. Based on the Board's estimates it is anticipated that its total land bank of 12,281 plots (41% with planning) will yield an average gross margin of 19.3 per cent. The Group currently operates on 35 active sites and has 49 planned future sites in its land bank.

The Directors intend to maintain Dawn Homes' strong brand identity and will operate it as a separate business unit within the enlarged group. Martin Egan will remain as managing director of Dawn Homes and will oversee an independent sales team. Dawn Homes' office in Glasgow will be retained to maintain presence in the region and there are no current plans to rationalise Dawn Homes' operational employees.

### **Current Trading and Prospects**

In the Company's unaudited interim results for the six months ended 30 November 2017 published on 20 February 2018 the Company noted that, due to significant sales progress made in the first half of the year, revenue and profit for full year 2017/18 were anticipated to be 5-10% ahead of previous expectations. Since 30 November 2017 trading has been in line with the Company's revised expectations.

In addition to continued positive trading, cash outflows have been lower due to fewer land purchases and an increased focus on securing land under contract (as opposed to outright purchase) which results in deferred cash outflows. As a result, net debt is currently lower than previously expected, but is dependent on the timing of land purchases and general trading conditions through to the end of the fiscal year.

Notwithstanding the increase in the Company's share capital as a result of the Acquisition and the Placing, it intends to pay a final dividend per Ordinary Share in respect of the year ending 31 May 2018 in line with previous expectations.

### **The Placing**

The Company is proposing to raise approximately £15.0 million, before expenses, by the issue of the New Ordinary Shares at 120 pence per new Ordinary Share to certain new and existing investors. The New Ordinary Shares represent 13.0 per cent of the existing issued share capital of the Company, including the Consideration Shares expected to be admitted to AIM on 3 May 2018, and will, when issued, rank *pari passu* with the Existing Ordinary Shares in the Company.

Institutional investors have conditionally agreed to subscribe for the New Ordinary Shares at the Placing Price. The Placing has not been underwritten. The issue of the New Ordinary Shares is conditional, inter alia, upon the approval by Shareholders of the Resolutions to be sought at the General Meeting convened for 21 May 2018 and upon Admission becoming effective on 22 May 2018 (or such later date as the Company and N+1 Singer may agree but not later than 30 May 2018).

On 2 May 2018, the Company and N+1 Singer entered into the Placing Agreement pursuant to which N+1 Singer agreed, subject to certain conditions, to procure subscribers for the New Ordinary Shares at the Placing Price. The Placing Agreement contains provisions entitling N+1 Singer to terminate the Placing (and the arrangements associated with it), at any time prior to Admission in certain circumstances, including in the event of a material breach of the warranties given in the Placing Agreement, the failure of the Company to comply with its obligations under the Placing Agreement, the occurrence of a force majeure event which in N+1 Singer's reasonable opinion may be material and adverse to the Company or the Placing, or a material adverse change affecting the financial position or business or prospects of the Company. If this right is exercised, the Placing will not proceed, any monies received in respect of the Placing will be returned to the applicants without interest and Admission will not occur. The Placing is not being underwritten by N+1 Singer.

The Company has agreed to pay N+1 Singer upon Admission a placing commission and all other costs and expenses of, or in connection with, the Placing, plus any VAT thereon.

The Directors believe that raising new funds by way of the Placing is the most appropriate method of funding the Company at the present time. The Board considers that a general offer to existing Shareholders by way of rights or other pre-emptive issue is not appropriate at this stage of the Company's development due to the significant additional costs that would be incurred and the delay that would be caused by the production and approval of a prospectus.

#### **Use of Proceeds**

The net proceeds of the Placing will be used by the Company principally to re-finance the initial cash consideration paid in respect of the Acquisition, together with associated transaction costs. In order to capitalise on the opportunity available to the Company to acquire Dawn and having considered the available headroom under its bank facilities, the Directors considered the temporary increase in the utilisation of the Company's bank facilities to be in Shareholders' best interests.

#### **Sale and Purchase Agreement**

On 1 May 2018, the Company entered into a share purchase agreement ("**SPA**") pursuant to which the Company agreed to purchase the entire issued (and to-be issued) share capital of Dawn from its shareholders. The initial consideration paid was £17.6 million; £15.5 million of which was paid in cash with the remaining £2.1 million satisfied by the issue of the Consideration Shares. The initial consideration was satisfied on completion of the Acquisition. The Consideration Shares are expected to be admitted to trading on AIM on 3 May 2018.

Additional deferred consideration (of up to £2.5 million) is contingent on zoning being received in respect of Dawn Homes' site at Johnstone, near Glasgow.

The SPA contains certain customary warranties and was accompanied by a tax deed given by all of the sellers in relation to Dawn and its business, subject to certain customary limitations.

#### **Lock in agreement**

Each of the sellers of Dawn, being Alan MacDonald, Barry MacDonald, Stewart Rough and Martin Egan, have, pursuant to lock-in agreements, undertaken to the Company and N+1 Singer not to dispose of any interests in their respective Consideration Shares for a certain period following their admission to trading on AIM. In the case of Alan MacDonald, Barry MacDonald and Stewart Rough, they have undertaken that they will not dispose of any interests in their respective Consideration Shares for 6 months following their admission to trading on AIM. Thereafter they will be permitted to sell 25% of their interests every 6 months with the restriction on their disposal terminating after two years. In the case of Martin Egan, he has undertaken that he will not dispose of any interests in his Consideration Shares for 18 months following their admission to trading on AIM.

The lock-in agreements contain customary exceptions on disposal of the Consideration Shares including, inter alia, a transfer pursuant to acceptance of a takeover offer and a transfer to a family member.

### **General Meeting**

A notice of a General Meeting to be held at the Company's registered office at Alexander Fleming House, 8 Southfield Drive, Elgin IV30 6GR at 1:00 pm on 21 May 2018 is expected to be posted in the coming days. At this meeting two resolutions will be proposed:

- the first resolution is an ordinary resolution to grant a new authority and power to the Directors to permit them to allot the New Ordinary Shares pursuant to the Placing as described in this announcement; and
- the second resolution, which is a special resolution, is to grant the Directors the authority to allot the New Ordinary Shares pursuant to the Placing on a non pre-emptive basis.

### **Recommendation**

The Directors consider the Placing to be in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors unanimously recommend Shareholders to vote in favour of the Resolutions to be proposed at the General Meeting, as Sandy Adam, Executive Chairman, has irrevocably undertaken to do in respect of his own beneficial holding of 24,900,000 Ordinary Shares representing 29.7 per cent. of the issued share capital of the Company.

### **DEFINITIONS**

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

<b>“Act”</b>	the Companies Act 2006
<b>“Acquisition”</b>	the proposed acquisition of the entire issued share capital of Dawn
<b>“Admission”</b>	admission of the New Ordinary Shares to trading on AIM becoming effective in accordance with the AIM Rules
<b>“AIM”</b>	AIM, a market of the London Stock Exchange
<b>“AIM Rules”</b>	the AIM Rules for Companies and the AIM Rules for Nominated Advisers, as applicable
<b>“AIM Rules for Companies”</b>	the rules for AIM companies published by the London Stock Exchange, as amended or re-issued from time to time
<b>“AIM Rules for Nominated Advisers”</b>	the rules for nominated advisers to AIM companies published by the London Stock Exchange, as amended or re-issued from time to time
<b>“Board” or “Directors”</b>	the directors of the Company
<b>“Dawn”</b>	DHomes 2014 Holdings Limited, a private company limited by shares incorporated in Scotland with registered number SC467701 with its registered office at 220 West George Street, Glasgow, G2 2PG
<b>“Dawn Group”</b>	Dawn and its subsidiaries

<b>"Dawn Homes"</b>	Dawn Homes Limited, a private company limited by shares incorporated in Scotland with registered number SC090866 with its registered office at 220 West George Street, Glasgow, G2 2PG
<b>"Certificated" or "in certificated form"</b>	the description of a share or other security which is not in uncertificated form (that is, not in CREST)
<b>"Company" or "Springfield"</b>	Springfield Properties PLC, a company incorporated in Scotland with registration number SC031286 with its registered office at Alexander Fleming House, 8 Southfield Drive, Elgin, Morayshire, IV30 6GR
<b>"Consideration Shares"</b>	the 1,750,000 new Ordinary Shares issued under the terms of the SPA as part of the initial consideration of £17.6 million due in respect of the Acquisition
<b>"CREST"</b>	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as also defined in the CREST Regulations)
<b>"CREST Regulations"</b>	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755) (as amended from time to time)
<b>"Enlarged Share Capital"</b>	the enlarged share capital of the Company following Admission, comprising the Existing Ordinary Shares and the New Ordinary Shares
<b>"Existing Ordinary Shares"</b>	the Ordinary Shares in issue as at the date of this announcement, including the Consideration Shares issued pursuant to the SPA which will be admitted to trading on 3 May 2018
<b>"FCA"</b>	the United Kingdom Financial Conduct Authority
<b>"Form of Proxy"</b>	the form of proxy accompanying the Circular for use by Shareholders in connection with the General Meeting
<b>"FSMA"</b>	the UK Financial Services and Markets Act 2000 (as amended) including any regulations made pursuant thereto
<b>"GDV"</b>	estimated gross development value
<b>"General Meeting" or "GM"</b>	the general meeting of the Company which has been convened for 1:00 pm on 21 May 2018, notice of which is set out in Part I of the Circular
<b>"Group"</b>	the Company and its subsidiaries
<b>"London Stock Exchange"</b>	the London Stock Exchange plc
<b>"N+1 Singer"</b>	Nplus1 Singer Advisory LLP, acting as nominated adviser and broker to the Company for the purposes of the AIM Rules, and where the context allows, its affiliates
<b>"New Ordinary Shares"</b>	the 12,500,000 new Ordinary Shares to be issued by the Company pursuant to the Placing

<b>“Official List”</b>	the official list of the UK Listing Authority
<b>“Ordinary Shares”</b>	ordinary shares in the share capital of the Company each with a par value of 0.125 pence
<b>“Panel”</b>	the Panel on Takeovers and Mergers
<b>“Placing”</b>	the conditional placing of the New Ordinary Shares at the Placing Price pursuant to the Placing Agreement
<b>“Placing Agreement”</b>	the conditional agreement dated 1 May 2018 between N+1 Singer and the Company relating to the Placing
<b>“Placing Price”</b>	120 pence per Placing Share
<b>“SPA”</b>	has the meaning in paragraph “Sale and Purchase Agreement” of this announcement
<b>“Prospectus Rules”</b>	the prospectus rules made by the FCA pursuant to the section 73A of the FSMA
<b>“Registrar”</b>	Link Asset Services, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU
<b>“Resolutions”</b>	the resolutions set out in the notice of General Meeting
<b>“Securities Act”</b>	the United States Securities Acts of 1933, as amended, and the rules and regulations promulgated thereunder
<b>“Shareholders”</b>	holders of the Ordinary Shares from time to time
<b>“£” or “Sterling”</b>	pounds sterling, the lawful currency from time to time of the United Kingdom
<b>“UK Listing Authority”</b>	the FCA acting in its capacity as the competent authority for the purposes of Part VI of FSMA
<b>“uncertificated” or “uncertificated form”</b>	recorded on the relevant register of the share or security concerned as being held in uncertificated form in CREST and title to which may be transferred by of CREST
<b>“United Kingdom” or “UK”</b>	the United Kingdom of Great Britain and Northern Ireland