

The role of the Nomad & Broker

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John Chessher, CEO Cenkos Asia

T +65 6818 5711 / 8548 9128

E jchessher@cenkos.com

Agenda

- The roles of the Nomad and Broker
- What to look for in a Nomad and Broker
- What investors are looking for
- Overview of Cenkos
- Sample transactions
- Cenkos in Asia

The role of the Nomad

- Long term relationship
- Dual role – adviser and regulator
- Gatekeeper
- Three criteria for suitability: won't damage AIM's reputation; long term value to external shareholders; timing
- Manage the flotation
- Help with the appointment of advisers

What to look for a in a Nomad

- Understand your business – shared vision
- Sector expertise
- Prepared to say no
- Commitment – to your business and to the region

The role of the Broker

- Long term relationship
- Develop the investment proposition
- Test marketing
- Writing research
- Placing stock
- Market making – providing liquidity
- Your bridge to the market

What to look for a in a Broker

- Placing power – relationships with investment institutions
- Research – analysts that understand your business
- Market making – providing liquidity
- Commitment – to your business and to the region

Valuation

- Determined by the market
- Risk versus reward
- Everything is relative
- PERs are simplistic and limited
- Leave something on the table

What Investors are looking for

- A clear growth path
- Strong investment case
- Logical and defensible financial forecasts
- Good corporate governance
- Strong and trustworthy management
- Rationale for choosing London
- Delivery

Cenkos - Overview

Independent UK, specialist institutional securities firm

- AIM quoted, established in 2005
- Over 110 employees based in London, Edinburgh, Liverpool and Singapore
- Adviser and/or broker to over 120 companies and investment trusts
- Unrivalled placing power

Partnership model

- Significant owners of the business
- Performance driven culture
- Interests of staff and clients fully aligned

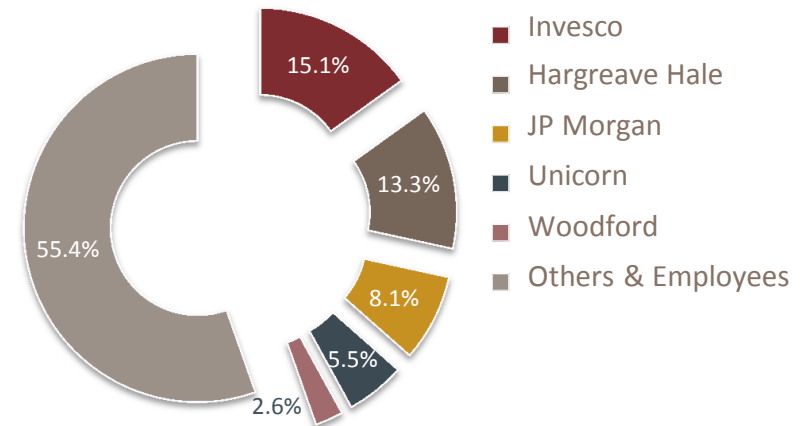
Focus on clients and their needs

- High service level
- Low client to staff ratio

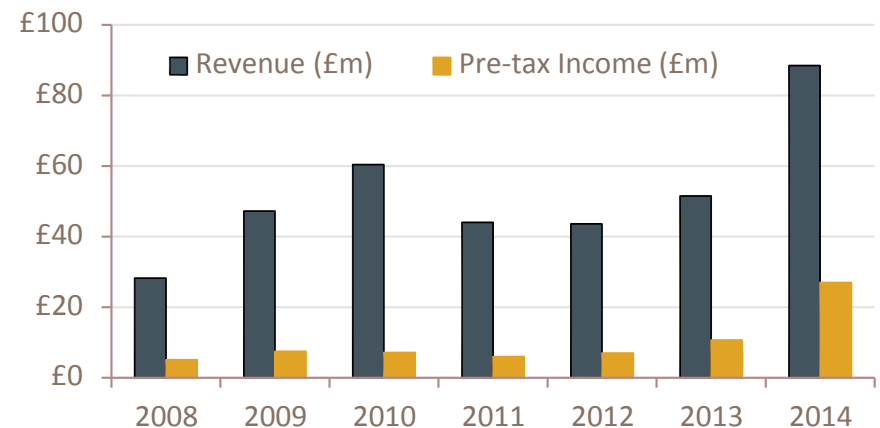
Clear differential from peer group

- **Stability** – extremely low turnover in both clients and staff
- **Profitability** – profitable every year since inception
- **Structure** – integrated corporate finance, sales and research teams

Ownership



Financial Performance



Cenkos services

A fully integrated offering

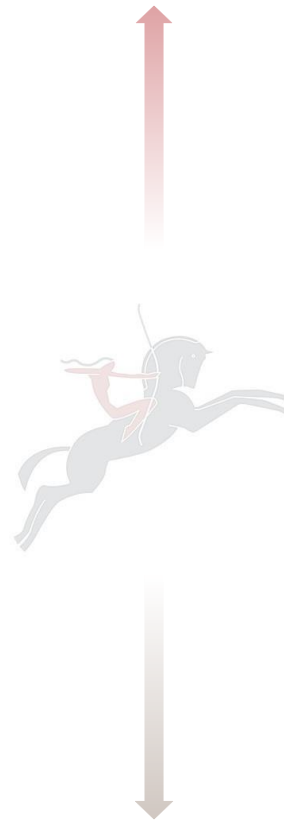
- High level impartial advice
- Strategic and general corporate advice
- M&A for listed and private companies
- Private equity and leveraged buy outs
- Valuations and fairness opinions
- Equity finance and IPOs
- Debt finance and capital reorganisations
- Sponsor and nominated adviser services

Corporate Finance



Corporate Broking

- Communications and market intelligence
- Equity issuance and fundraising
- Advising on the impact of corporate actions
- Investor targeting and register optimisation
- Positioning clients favourably with investors
- Impacting on management's ability to create value by maximising rating and providing access to capital
- Coordination of investor roadshows, including conferences and institutional lunches



- Clear, informed research from analysts with extensive industry and capital markets experience
- Supplemented by in-depth, themed research
- Briefings on major events and results
- Research widely distributed and read - delivery to over 300 fund management houses
- Helps drive secondary trading and increased liquidity
- Clear correlation between well-regarded research and ongoing, demonstrable ability to raise significant equity

Equity Research



Sales, Trading and Market Making

- Distribution and briefings on major events and results
- Providing liquidity and an orderly market in covered stocks
- Daily contact with the right institutions
- Market-making is an integral part of our offering – we make markets in over 300 mid /small cap stocks on the LSE main market and AIM
- Utilise the Retail Service Provider (RSP) service, providing access to major retail brokers, and all major Multi Trading Facilities (MTFs) and dark pool technology to execute trades

Cenkos fundraisings

Market leading placing power

Cenkos has market-leading placing power

- Over **£11.6 billion** raised since inception in 2005
- Over **£2.8 billion** raised in 2014 alone
- Active pipeline with over **£1.2 billion** raised in 2015 YTD

Adviser and broker to over 120 companies and investment trusts

- Natural resources and energy
- Growth companies
- Large cap
- Investment funds

120

Corporate clients

38

Fundraisings
in 2014

10

M&A transactions
in 2014

Largest raise in 2014

£1,38 billion

Largest raise in 2015 (YTD)

£1,03 billion

Average raise in 2014

£82.2 million

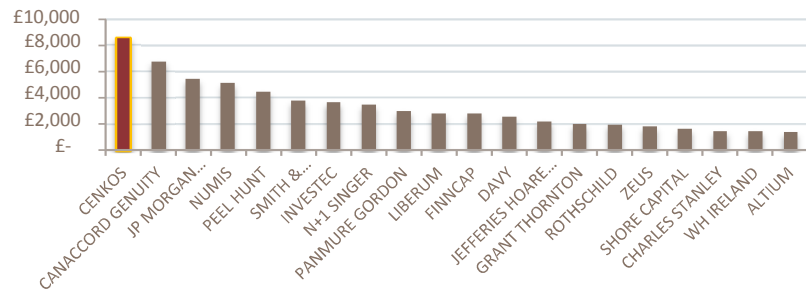
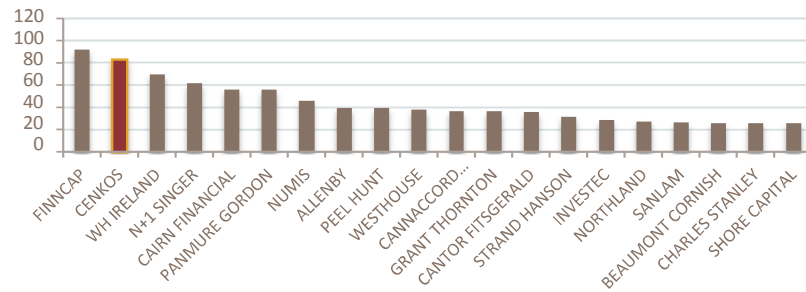
Weighted average
performance in 2014

+25.7%

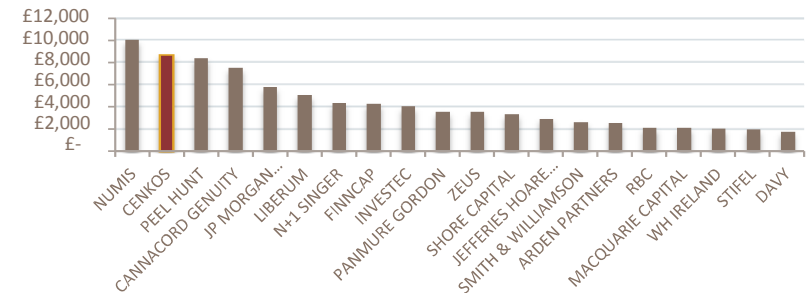
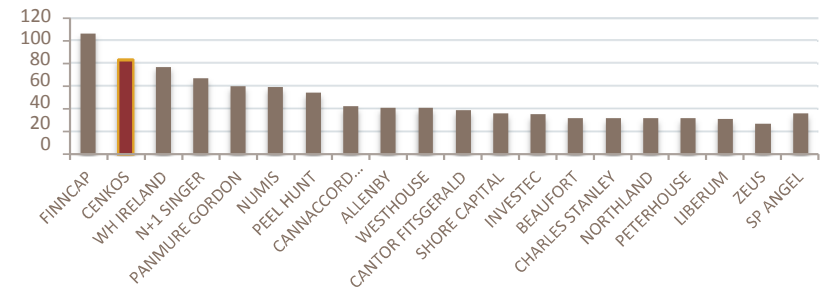
Cenkos expertise

A market-leading position

Financial Adviser



Broker



Cenkos sample transactions



The AA plc

Market Cap: £2,503m
Revenue: £983m
Roadside Assistance

The country's largest breakdown cover organisation, representing over 40% of the market.

Number of employees: 7,000+

Year company formed: 1908

Date of IPO: June 2014

Most recent corporate transaction with Cenkos: **Placing to raise £200m to refinance debt – March 2015**



Restore plc

Market Cap: £220m
Revenue: £54m
Support Services

Support services company focussed on document management and relocations.

Number of employees: c. 550

Year company formed: 1996

Date of IPO: November 2004

Most recent corporate transaction with Cenkos: **Placing to raise £15m to fund an acquisition – Oct 2014**



Science in Sport plc

Market Cap: £17m
Revenue: £7m
Nutritional Foods

Sports nutrition company that develops, manufactures and markets sports nutrition products.

Number of employees: c. 65

Year company formed: 2013

Date of IPO: August 2013

Most recent corporate transaction with Cenkos: **Placing to raise £2.3m to fund working capital – April 2014**



Client size

Growth companies team:

- Market cap focus: £5m - £200m

Large cap team:

- Market cap focus: £200m +

Current client sectors

- Clean Energy
- Consumer/Leisure
- Financial Services
- Healthcare
- Investment
- Investment Funds
- Manufacturing/Engineering
- Media/Marketing
- Real Estate
- Resources
- Support Services
- Software & Computer Services
- Technology
- Utilities

Fund raise size

Smallest fund raise in 2014:

- Science in Sport; Placing; £2.3m

Largest fund raise in 2014:

- AA plc; IPO; £1.375 bn

Cenkos in Asia

- Cenkos Asia established in January 2015
- Singapore office opened in March 2015
- Highly experienced team: average of more than 25 years in the investment industry
- Close to Asian clients
- Building long term relationships in the region

Summary

- The relationship with your Nomad is a long term one – think beyond the deal. Choose a Nomad that:
 - understands your business
 - has placing power
 - is prepared to deploy resources
 - has commitment to you and the region

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