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5 December 2016

**ECSC Group plc
("ECSC" or the "Company")**

**INTENTION TO FLOAT
Established cyber security specialist to list on AIM
Proposed placing to raise approximately £5 million**

ECSC Group plc, a proven provider of cyber security services, is pleased to announce its intention to seek admission of its shares to trading on the AIM Market of the London Stock Exchange ("Admission"). Dealings are expected to commence on AIM on 14 December 2016. Stockdale Securities Limited is acting as Nominated Adviser and Broker to the Company in relation to Admission.

HIGHLIGHTS:

- **Established business:** proven provider of cyber security services founded in 2000, offering a comprehensive range of solutions;
- **Blue-chip client base:** clients across a diverse range of sectors and including companies such as Barclays and GCHQ;
- **Barriers to entry:** extensive custom technologies with IP developed in-house. Services covered by a wide range of industry certifications;
- **Strong financials:** long track record as a profitable, cash generative business. Organic revenue CAGR of 16.9% 2013–2016 vs. estimated market CAGR of 6%;
- **Highly experienced management team and board:** with over 60 years' combined management experience in cyber security. The board of Directors on Admission includes Nigel Payne, previously Chief Executive Officer of Sportingbet Plc, as Non-Executive Chairman; David Mathewson, former Chief Financial Officer of Playtech Group plc, as Non-Executive Director; and Steve Vaughan, previously Group Chief Executive Officer of publicly listed companies Phoenix IT plc, Communis plc and Synstar plc, as well as being former Chairman of Charteris plc, also as a Non-Executive Director;

- **The Company is proposing to raise approximately £5.0 million (before expenses):** through a placing by Stockdale of 2,994,011 new shares at a price of 167 pence per share. In addition, 519,174 sale shares held by existing selling shareholders will be sold at the placing price (the “Placing”); and
- **On Admission:** at the placing price of 167 pence, the Company will have a market capitalisation of approximately £15 million.

Background

ECSC is a proven provider of cyber security services that offers a comprehensive range of solutions to a wide variety of clients. The Company’s solid blue-chip client base ranges from e-commerce start-ups to global organisations.

The Company has over 15 years’ experience in the design, implementation and management of cyber security solutions. ECSC’s consultancy-led approach, and its combination of custom methodologies and in-house proprietary technologies, enables the Company to provide individually tailored services to its clients. The Company has a growing market presence and has a long track record of being a profitable, cash generative and financially stable business, with revenues of £2.7 million and gross profit of £2.2 million for the year ended 30 September 2015. The operational management team has over 60 years’ collective experience in the industry, and staff retention is high, averaging 91% for the last six years.

The Directors believe that the Company is one of the leading innovators in the UK in this fast-growing industry. UK market demand for cyber security services and products (estimated to be £3.3 billion for 2016) has seen an estimated CAGR of 6% between 2013 and 2016, with the Company achieving 16.9% CAGR in the same period. This is in the context of a global market predicted to grow to \$202 billion by 2021, with a CAGR of 10.6%.

The recent proliferation of high profile cyber security breaches affecting some of the world’s most prominent companies, together with the accompanying media publicity, has, in the Directors’ belief, made cyber security a strategic issue for company boards. Accordingly, this has created a significant opportunity for the Company to accelerate ECSC’s growth, through investment in the Company’s staff.

The Company is therefore raising approximately £5.0 million (before expenses) by means of the Placing to fund ECSC’s growth strategy. The Directors believe that Admission will, amongst other things, increase the Company’s profile and enable the Company to continue its strong track record of retaining and incentivising key employees.

Strategy and reasons for Admission

The primary reasons for seeking Admission are the provision of working capital to execute ECSC’s growth strategy, as well as raising the Company’s profile and further enhancing its credibility with potential clients and employees.

Use of proceeds of the IPO include:

- Investment in accelerated recruitment, to take the current headcount of 50 to circa 200 by the end of 2018 (subject to certain sales milestones);
- Development of cyber security sales and consulting ‘academies’, giving industry-leading training and career development;
- The opening of an Australian Security Operations Centre (SOC) to facilitate 24/7/365 global manned operations, opening wider market opportunities with UK-based global enterprises who expect 24/7

- monitoring and response;
- A permanently manned London sales and incident response centre, giving enhanced penetration in this key client region;
- An enhanced marketing and PR function, supporting new products and services; and
- A strengthened balance sheet.

The Directors have a detailed implementation plan to manage the growth strategy. Extensive work has already been carried out throughout 2016 on the implementation of the long prepared plan, including:

- Extensive recruitment activities to facilitate rapid appointments post-Admission;
- New appointments, including in the Company's finance, sales and marketing functions;
- Engagement with advisers regarding the Australian operation in order to facilitate a rapid operational initiation following IPO; and
- Detailed financial planning has been carried out to the end of 2021.

Ian Mann, CEO of ECSC, commented:

“We believe the ongoing cyber security breaches affecting some of the world’s most prominent companies are making cyber security an important issue for company boards. We feel therefore that this is an ideal time for an established and proven provider of cyber security services with a blue-chip client base to list on AIM and accelerate its growth.

“Since ECSC's inception 16 years ago, we have established a long track record of being a profitable, cash generative and financially stable business. We have already initiated a clear strategy and a carefully prepared plan to scale ECSC and we believe that the listing will enable us to take the Company to the next phase and capitalise on the strong market opportunities available to us.”

Enquiries:

ECSC Group plc

Nigel Payne (Non-Executive Chairman)
 Ian Mann (Chief Executive Officer)
 Lucy Sharp (Chief Operating Officer)
 www.ecsc.co.uk

+44 (0) 1274 736 223

Stockdale Securities (NOMAD and Broker)

Robert Finlay
 Hanan Lee

+44 (0) 20 7601 6100

Yellow Jersey PR (PR & IR)

Alistair de Kare-Silver
 Felicity Winkles
 Dominic Barretto

+44 (0) 7825 916 715

+44 (0) 7748 843 871

+44 (0) 7768 537 739

For more information please visit or contact the following: www.ecsc.co.uk

Notes to Editors

Directors and Senior Management

On Admission, the board of Directors will consist of three executive directors and three non-executive directors. The Directors will be responsible for the management and operations of the Company and its group.

Nigel Terrence Payne – Non-Executive Chairman (age 56)

Nigel has considerable experience as a director of both publicly listed and private companies. He has extensive experience of listing companies and fund raising, notably in his current roles as Non-Executive Chairman of AIM traded Gateley plc, Non-Executive Chairman of AIM traded Stride Gaming Plc and Non-Executive Chairman of AIM traded EG Solutions plc. Nigel was previously Chief Executive Officer of Sportingbet Plc, one of the world's largest internet gambling companies which made a number of acquisitions whilst listed on the London Stock Exchange (both Main Market listed and AIM traded), and was later bought by GVC plc. Nigel holds an executive MBA from the IMD Business School (Lausanne, Switzerland) and a degree in Economics and Accounting from Bristol University.

Ian Charles Mann – Chief Executive Officer (age 49)

Ian has over 15 years of experience in the cyber security sector having founded ECSC. He was previously an adviser for GCHQ, and established a Cisco Networking Academy for Dixons City Technology College. Ian's professional certifications include CISSP, PCI QSA, and ISO Lead Auditor. Ian holds a B.Eng. in Electrical and Electronic Engineering from the University of Nottingham, and an MBA from the Open University.

Lucy Sharp – Chief Operating Officer (age 36)

Lucy has over 15 years of experience in the cyber security sector, having joined ECSC at its inception. Lucy worked as an ISO 27001 consultant, leading this area prior to taking the position of Operations Director in 2012. Lucy has held a number of professional certifications, including CISSP, PCI QSA, and ISO Lead Auditor. Whilst working at ECSC, Lucy completed a Masters in Business Management at Leeds Metropolitan University.

Keith Patrick Andrew Kelly – Chief Financial Officer (age 59)

Keith joined ECSC in 2012. Keith has over 30 years of experience in financial management and accounting and prior to joining ECSC, Keith was Finance Director at Pet Plas Packaging, part of the Alcan Group. He is an ACCA and FCCA qualified accountant.

David Carr Mathewson – Non-Executive Director (age 69)

David is a Chartered Accountant who has spent most of his career in merchant banking and as a non-executive director. He was an Executive Director of Noble Grossart Limited, Scotland's premier merchant bank, for many years. Previous non-executive roles include Chairman of Sportech Plc and he was a Director of Playtech Group plc. During his tenure at Playtech he was appointed Chief Financial Officer and oversaw the company move from AIM to the Main Market of the London Stock Exchange. He is currently a Non-Executive Director of AIM traded SEC SpA, an Italian company and Chairman of Veltco Group Plc, also traded on AIM.

Stephen William Vaughan – Non-Executive Director (age 56)

Stephen has considerable experience over the last 15 years as a director of publicly listed and private companies. He is currently a Non-Executive Director of Mobic Limited and was previously Group Chief Executive Officer of publicly listed companies Phoenix IT plc, Communis plc and Synstar plc, as well as being former Chairman of Charteris plc.

Senior Management

Paul Lambsdown – Sales Director (age 57)

Paul joined ECSC in 2007 having previously been sales director of the Elonex PC computer business.

Ian Castle – Chief Technical Officer (age 52)

Ian joined ECSC in 2003 and is responsible for the development of ECSC's security technologies. Ian has previously worked as both a PCI QSA and penetration tester.

Important notices

The contents of this announcement, which has been prepared by and is the sole responsibility of the Company, have been approved by Stockdale Securities Limited ("Stockdale") solely for the purposes of section 21(2)(b) of the Financial Services and Markets Act 2000 (as amended).

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The information contained in this announcement is for background purposes only and does not purport to be full or complete. Any subscription for or purchase of Shares in the proposed Placing should be made solely on the basis of

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In connection with the Placing, Stockdale and/or any of their respective affiliates, acting as investors for their own accounts, may subscribe for or purchase Shares and in that capacity may retain, purchase, sell, offer to sell or otherwise deal for their own accounts in such Shares and other securities of the Company or related investments in connection with the Placing or otherwise. Accordingly, references in the Admission Document, once published, to the Shares being offered, subscribed, acquired, placed or otherwise dealt in should be read as including any offer to, or subscription, acquisition, placing or dealing by Stockdale and/or any of their respective affiliates acting as investors for their own accounts. In addition, Stockdale and/or their respective affiliates may enter into financing arrangements and swaps in connection with which Stockdale and/or their respective affiliates may from time to time acquire, hold or dispose of Shares. Stockdale has no intention to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

Stockdale, which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively for the Company and no-one else in connection with Admission and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing advice in relation to the contents of this announcement or any transaction, arrangement or other matter referred to herein.

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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 and therefore are based on current beliefs and expectations about future events. Forward-looking statements are not guarantees of future performance and the Company's actual operating results and financial condition, and the development of the industry in which it operates may differ materially from those made in or suggested by the forward-looking statements contained in this announcement. In addition, even if the Company's operating results, financial condition and liquidity, and the development of the industry in which the Company operates are consistent with the forward-looking statements contained in this announcement, those results or developments may not be indicative of results or developments in subsequent periods. Accordingly, prospective investors should not rely on these forward-looking statements.

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