

RNS Miscellaneous

Issue of Listed Bonds & Balance Sheet Update

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Eight Capital Partners PLC
23 May 2022

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Eight Capital Partners plc
("ECP", "Eight Capital" or "the Company")

Balance Sheet Restructuring Update and Issue of Listed Bonds

Eight Capital Partners plc (AQSE: ECP), the financial services operating company that aims to grow revenue through businesses engaged in "Fintech" operations, from the digitisation of banking services, through to blockchain-backed disruptive finance companies provides an update to its balance sheet restructuring previously announced on 27 September 2021.

The Company announces that, following the sale of €5 million of vendor loans held by IWEP Limited ("IWEP"), a company controlled by ECP's Chairman, Mr Dominic White, to an independent third party, the Company has agreed to satisfy the vendor loan acquired by the third party through the issue of €5 million of the Company's EUR 7% Fixed Rate Bonds ("the 7% Bonds") (the "Debt Conversion"). The 7% Bonds are traded on the Vienna Exchange and are due to mature on 26 July 2022. This further tranche of 7% Bonds were admitted to trading on the Vienna MTF Stock Exchange on 20 May 2022, issued at par, and pay interest of 7% per annum semi-annually in arrears.

As a result of the Debt Conversion, there has been no change to the aggregate amount of ECP's outstanding debt. The revised amounts outstanding of the 7% Bonds and the Vendor Loan are now €8.99 million and €20 million respectively.

As announced on 27 September 2021, the Board's objective continues to be to grow the market capitalisation of the Company towards and beyond £50 million. The board of ECP recognises that in order to build value in the Company, a proactive reorganisation of ECP's balance sheet is appropriate, including, *inter alia*, the conversion of some or all of ECP's existing debt. The Debt Conversion forms the first step of the balance sheet reorganisation process that is envisaged over the coming months.

IWEP, the Company's largest shareholder and debt holder, has stated its intention, conditional on appropriate shareholder approvals and regulatory clearance from the Takeover Panel in respect of a Rule 9 whitewash resolution, to convert up to €20 million of its remaining vendor loan into equity in ECP (the "Conditional Equity Conversion"). The Company therefore intends, as the second step in the balance sheet reorganisation, shortly after the release of its results to 31 December 2021, to convene a general meeting of shareholders to approve resolutions to allow it to effect the Conditional Equity Conversion. Subject to demand, additional third party debt to equity conversions on the same terms may also then be effected at the same time as the Conditional Equity Conversion.

The Company has previously stated that it may seek to undertake an equity fundraise to existing and new investors. Following the Conditional Equity Conversion, the Company intends to explore this opportunity as the third step of its balance sheet restructuring.

ECP Chairman, Dominic White, commented:

"The Company has been successful in creating and utilising debt instruments to raise finance. These instruments have been valuable in helping to build gross asset value. Thanks to the positive support of a number of our debt investors, our aim is that the initial steps outlined here, will enable the Company to convert a significant amount of its debt into equity, expand the equity value of the business and therefore make ECP's shares more attractive to investors.

"As ECP moves forward through its balance sheet strengthening process, it is also carefully analysing fintech acquisition opportunities in digital banking, trade receivables and inventory finance, and wealth management. As Chairman and as a substantial investor, I believe that this will lead to accelerated growth, increased opportunities and enhanced shareholder returns."

This announcement contains inside information for the purposes of the UK Market Abuse Regulation and the Directors of the Company are responsible for the release of this announcement.

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About Eight Capital Partners:

Eight Capital Partners plc is an international financial services operating company focused on owning and operating businesses engaged in "Fintech" operations, from the digitisation of banking services, through to blockchain-backed decentralised finance companies.

ECP provides equity, debt, and equity-related investment capital to companies seeking capital for growth and development, consolidation or acquisition, or pre-IPO financing. The Company seeks to generate an attractive rate of return for shareholders, predominantly through capital appreciation, by maximising the revenues, profits and value of its operating subsidiaries, and taking advantage of the increasing number of acquisition opportunities within the continuously developing global technology, and fintech sectors.

www.eightcapital.com

Eight Capital Partners operates two subsidiary businesses:***Epsilon Capital:***

Epsilon Capital is an independent corporate advisory firm based in London with an extensive experience in UK and European capital markets. The company is specialised in ECM, DCM, structured investment facilities, and M&A across multiple markets, sectors and geographies. It prides itself on a commercial approach that enables its clients to achieve their growth ambitions. www.epsiloncapital.com

Innovative Finance:

Innovative Finance is a corporate finance advisory business that sources and develops mergers and acquisitions and financing solutions across multiple sectors, primarily in Europe, with access to international transactions. It is currently working on transactions in North America and Europe which are linked to technological developments in the financial services industry, e-commerce and cannabis. www.innovfinance.com

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