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Eight Capital Partners PLC
03 November 2022

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3 November 2022

Eight Capital Partners plc

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

Strategy update

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Launch of an up to £10 million fund raise process as part of the Company's £50m equity issue plans

Eight Capital partners plc, the financial services operating company that aims to grow revenue through businesses engaged in "Fintech" operations including in the digital banking and lending, and, asset and wealth management ("WealthTech") sectors, is pleased to provide the following update on progress with its transformational growth strategy, as set out in its announcement of 27 September 2021, and the launch of its fund raise process ("Fundraise").

The Fundraise is the next step in the implementation of ECP's strategy, providing the Company with an initial tranche of acquisition funding as well as headroom in its capital structure to continue the debt to equity conversions committed to by its major shareholder. The Fundraise will seek to raise up to £10m in new funds (the "Placing Shares"), in stages, resulting in an issue of up to 50 billion new ordinary shares, in aggregate, at the same price as the recent debt conversion announced on 17 October 2022. The completion of the Fundraise, and associated debt conversions, are key milestones towards

the Company's goals of becoming a significant Fintech operating group and increasing its market capitalisation to £50m and beyond.

Update on transformational growth strategy

In its announcement of 27 September 2021, the Company set out its key long-term objectives and steps needed to achieve these goals, a number of which have now either been completed or are underway:

1. To become an operating Fintech group

The Company's first step was to convert from an investing company to a Fintech operating company with a strong growth strategy (further detail below). This was completed in September 2021.

2. The significant restructuring of ECP's balance sheet, including, inter alia, conversion of some or all of ECP's existing debt into equity alongside a share placing, which may include an open offer to all shareholders.

The Company has successfully taken significant steps towards reorganising its balance sheet, through rearranging the terms of its Vienna listed bonds (ISIN XS2027405880) ("Vienna Bonds 1") and converting Euros 3,295,000 of debt into equity, as follows:

- i. In June 2022, following bondholder approval, ECP re-organised the Vienna Bonds 1 to align their commercial terms to that of its more recently issued listed Vienna bonds (ISIN GB00BP2PO741) ("Vienna Bonds 2"), notably at a lower coupon with a longer duration to July 2026, providing longevity to its bond financing.
- ii. At the General Meeting in October 2022, approval of a waiver by shareholders under Rule 9 of the Takeover Code allowed its largest shareholder, IWEP Ltd, to increase its shareholding above 29.9% and beyond 51%, enabling it

to convert Euros 3,150,000 of Company debt into equity at £0.0002 per share. A listed bondholder also agreed to convert Euros 145,000 of debt to equity at the same time on the same terms.

3. *To grow the market capitalisation of the Company towards and beyond £50 million so that it establishes a strong balance sheet base from which to significantly expand its operations and its own equity valuation and therefore become increasingly attractive to investors.*

As noted above, this announcement initiates the next step in the Company's transformational growth strategy being to:

- i. launch a share placing process;
- ii. offer new equity to existing shareholders; and
- iii. offer holders of Vienna Bonds 1 and Vienna Bonds 2 the ability to convert their bonds into ECP equity, all on the same terms.

IWEP Ltd, the Company's major shareholder, remains committed to converting up to Euros 33 million of existing debt into new equity as the Company generates free-float headroom, with the issue of new shares via the Fundraise enabling it to do so.

Fintech Strategy

Following the Company's acquisition of Innovative Finance Srl in May 2021, the Board stated that ECP would re-energise its focus on financial services with particular attention being paid to fintech, decentralised finance and potentially crypto banking. The Board believes that the trend of major technological change in the way financial services are delivered will enable faster, cheaper, easier and

more accessible financial services. Furthermore, there will likely be a fundamental change to the sector's landscape as a result of industry consolidation driven by new, more agile entrants.

The Directors believe that there is a particular opportunity within two areas of Fintech.

Firstly, the Directors' opinion is that there is a large gap in SME financial service provision which remains under-served by the traditional financial services sector. It is the Directors' view that SMEs are sometimes over-looked by larger funding institutions or, where served and managed through a traditional banking approach, can be seen as difficult to underwrite and therefore expensive to fund. The Company believes there are significant benefits for SMEs in using "fintech" systems and innovatively structured capital markets finance solutions to better access capital, for investment or to assist with working capital management.

Secondly, it is also the view of the Directors that WealthTech technology remains under-applied in asset and wealth management, particularly by asset and wealth managers with lower volumes of assets under management where fixed costs such as the money manager teams, property and compliance represent a disproportionate percentage of revenue. The Company believes that a combination of consolidation of smaller managers and the use of WealthTech and decentralised finance models, should greatly improve the quality of service delivered to customers and improve the profitability and value of such operations.

Therefore, the Directors consider that a significant opportunity exists for the group to develop and grow a digital bank, with access to European markets, at the core of its operations. This could allow the group to deliver services such as digital banking, lending and compliance, cross-border, directly to its customers or to a broader audience through other Fintech platforms. ECP has therefore decided to pursue an acquisition in this sector. Currently, no such acquisition has been identified but the directors consider that the placing proceeds will allow the Company to access a broader range of opportunities and negotiate better commercial terms.

To further enhance the development of a core digital bank, and to deliver on this identified opportunity, other complementary businesses and Fintech platforms may then be acquired or developed in areas that may include digital lending and WealthTech. Such platforms would have access to the group's core digital banking services and, potentially, better access to capital through European banking

systems. This should greatly benefit such platforms by providing them access to multiple routes of capital, centralised compliance and, as they develop, a network of other digital finance services.

The ability to share distribution of products and customers across the group would enable more products to be offered to more customers in a shorter amount of time, than in standalone fintech business models.

The Fundraise

In order to continue to progress its strategy, the Fundraise forms the next important next step for ECP, enabling all stakeholders the opportunity to participate on the same terms. There are three parts to the Fundraise, comprising:

1. Placing to professional investors;
2. Broker option to existing shareholders;
3. Conversion opportunity for existing listed bondholders

The funds raised will be used, inter alia, to provide acquisition funding to support and accelerate the Company's core Fintech strategy and to expand the Eight Capital team.

i. Placing

The proposed placing will be offered to a number of institutional and professional investors. The company intends to issue the Placing Shares at a price of 0.02 pence per share, raising up to £10 million of new equity capital. Investors will also receive one warrant for every Placing Share (the "Warrant"). The Warrants, which are exercisable at 0.05 pence, will have a term of 12 months.

The proposed placing process is expected to continue for a period of time, with announcements being made as groups of investors commit to funding. The Placing Shares will rank pari-passu with all existing ordinary shares in the Company.

ii. Broker option

The Company intends to offer its existing shareholders the opportunity to invest, subject to status, on the same terms as all other investors in the capital raise process.

This will be achieved by existing shareholders' brokers contacting the Company directly, who will then enable the process through its registrar. Interested shareholders should ask their broker to contact Eight Capital at growthstrategy@eight.capital .

The Broker option opportunity will remain open until 5pm on Monday 21st of November. Existing shareholders should note that the Company reserves the right to reject applications from brokers at its sole discretion in the event of any regulatory and/or jurisdictional issues.

iii. Conversion opportunity

The Company also intends to offer its existing listed bondholders the opportunity to convert their debt holdings into equity, on the same terms as all other investors in the capital raise process.

This will be achieved by existing listed bondholders contacting the Company directly, who will then enable the process through Bank of New York, the bond registrar. Interested bondholders should contact the Company directly at growthstrategy@eight.capital .

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About Eight Capital Partners:

Eight Capital partners plc is a financial services operating company that aims to grow revenue through businesses engaged in "Fintech" operations including in the digital banking and lending, and, asset and wealth management ("WealthTech") sectors.

ECP seeks to grow its group revenue in these high growth fintech sub-sectors, which it expects to also increase in value, such that they generate an attractive rate of return for shareholders, predominantly through capital appreciation.

www.eight.capital

Eight Capital Partners operates two subsidiary businesses:

Epsion Capital:

Epsion Capital is an independent corporate advisory firm based in London with an extensive experience in UK and European capital markets. The team of senior and experienced ECM and M&A professionals is specialised across multiple markets, sectors and geographies and it prides itself on a commercial approach that allows the clients to achieve their growth ambitions. www.epsioncapital.com

Innovative Finance:

Innovative Finance is a corporate finance advisory business that develops mergers and acquisitions and financing solutions across multiple sectors, primarily in Europe, with access to international transactions. It focuses on investments in Europe which are linked to technological developments in the financial services industry. www.innovfinance.com

Forward Looking Statements

Certain statements in this announcement, are, or may be deemed to be, forward looking statements. Forward looking statements are identified by their use of terms and phrases such as "believe", "could", "should", "envisage", "estimate", "intend", "may", "plan", "potentially", "expect", "will" or the negative of those, variations or comparable expressions, including references to assumptions. These forward-looking statements are not based on historical facts but rather on the Directors' current expectations and assumptions regarding the Company's future growth, results of operations, performance, future capital and other expenditures (including the amount, nature and sources of funding thereof), competitive advantages, business prospects and opportunities. Such forward looking statements reflect the Directors' current beliefs and assumptions and are based on information currently available to the Directors.

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