

# First Sentinel Plc Investment of Capital and AQSE Bond Updates

TIDMFSEN

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This announcement contains inside information for the purposes of the Market Abuse Regulation (EU No. 596/2014) ("MAR"). Upon the publication of this announcement, this inside information is now considered to be in the public domain and shall therefore cease to be inside information.

2 July 2020

First Sentinel Plc  
("First Sentinel" or the "Company")

## Investment of Capital and AQSE Bond Updates - 1H 2020

First Sentinel (AQSE: FSEN) announces that, whilst it is finalising its accounts for the year ended 31 December 2019 which it expects to announce by 31 July 2020, it would like to update investors on the following investments which were made in the first half of 2020:

### VOX MARKETS GROUP Plc

First Sentinel has provided a loan facility of up to GBP300,000 to Vox Markets Group Plc ("Vox Markets"). The funds advanced under the facility bear interest at a rate of 8% per annum and shall be repayable after a 9-month payment holiday in 27 equal monthly instalments. First Sentinel may convert part or all of the amounts due and outstanding from time to time into ordinary shares at the market price and, in event of the default, at 85% of lowest 10-day VWAP preceding the conversion notice. To date, GBP250,000 have been advanced to Vox Markets.

### About Vox Markets:

Vox Markets (Companies Number 12299399) is the holding company of Vox Markets Limited (Companies Number 09172648), an online platform designed for investors and professionals where they can discover and share content about listed

companies. Vox Markets has grown a community of thousands of users with an average of 45,000 monthly users. Vox Markets podcast is an "All-time Bestseller" for investing in the iTunes and, since its launch, it has received over 4.5m downloads. In addition to providing the platform for stock market professionals, Vox Markets offers digital investor relations services to public companies, allowing them to share news and information with their investment community in a controlled and ethical way. Vox Markets is a particularly powerful tool for smaller listed companies that might not be covered by larger media platforms and it helps them raise awareness and engagement among retail investors.

#### RIDERCAM SYSTEMS LIMITED

First Sentinel has provided two convertible loan facilities to Ridercam Systems Limited. Under the first facility, First Sentinel has agreed to make available the amount of up to GBP500,000 to be advanced in tranches, which shall be repaid no later than 1 May 2021, and is subject to an arrangement fee of GBP50,000. Under the second facility, First Sentinel has agreed to make available the sum of up to GBP160,000 which shall be repaid by 1 November 2020 and is subject to an arrangement fee of GBP16,000. The interest rate applicable to both facilities was fixed at 12% per annum. The loan facilities are further secured by way of a debenture. To date, GBP340,000 have been advanced to Ridercam.

The proceeds will be applied to provide working capital for its business and its potential IPO on the AQSE Exchange. First Sentinel may at any time convert all or part of the capital or interest owing into a such number of ordinary shares in the capital of Ridercam Systems Limited as it may be sufficient to meet the outstanding amount due on the date of the conversion notice.

#### About Ridercam:

Ridercam Systems Limited, a company incorporated in England and Wales under no. 7490658, provides end-to-end video technology for the recording and distribution of experiences with a robust camera and seamless payment and distribution system.

#### DIRECT ENERGY HOLDINGS PTY LTD

New Leaf Capital Limited, a wholly owned subsidiary of First Sentinel, has provided a loan facility of up to AUD 5,000,000 (app GBP2,752,115) to Direct Energy Holdings PTY LTD. The facility shall be available for drawing in tranches and shall be repaid at a rate of 12% per annum. In addition, New Leaf Capital Limited is entitled to 2% of the revenue accrued by Direct Energy in each financial year, with an additional 1% for every AUD 1,000,000 (approximatley GBP550,720) advanced over and above AUD 2,000,000 (approximatley GBP 1,101,440).

#### About Direct Energy:

Direct Energy is an Australian-based company, with ACN number 163758156, and a global energy producer for homes and businesses. It focuses on the launching of a disruptive clean coal technology that aims to offer lower costs, superior environmental credentials and high electrical efficiencies to the coal-fired power plant industry. At the forefront of the Direct Energy's assets is a direct carbon fuel cell, which is a highly efficient transfer of coal to power without combustion.

#### MALAIKA HOLDINGS LIMITED

First Sentinel has invested GBP130,000 to subscribe for shares representing 7.4% of the share capital of Malaika Holdings Limited.

#### About Malaika Holdings:

Malaika Holdings Limited is a private, sector agnostic investment company with holdings in companies such as Britannia's Gold Limited, SmartTrade App Limited and Skinny Tonic Limited.

#### VULCAN INDUSTRIES Plc

As announced on 29 May 2020, First Sentinel invested GBP234,000 to acquire shares in Vulcan Industries Plc (AQSE: VULC) at a price of 3 pence per share which was admitted to trading on the AQSE Exchange on 1 June 2020.

In addition, the Company has made available a convertible loan facility of up to GBP500,000 to Vulcan bearing interest of 12% per annum and subject to an arrangement fee of GBP50,000 payable in shares. The facility is available for drawdown in tranches of GBP50,000 and advances made to Vulcan can be converted into ordinary shares at any time at the market, and in the event of default at 85% of lowest 10-day preceding the conversion notice. No drawdown has been made to date.

As a result of these transactions, the Company currently holds shares representing approximately 4.34% of Vulcan's share capital. Since our investment, the share price of Vulcan has increased and as at 30 June 2020 is being traded at 4.5p.

#### About Vulcan:

Vulcan Industries Plc is a UK based company that consolidates traditional but historically profitable engineering, manufacturing and industrial SMEs for value and enhances this value through group scale synergies. The group further optimises productivity through the introduction of new technologies and processes in line with Industry 4.0. Vulcan has developed a network of

professionals that are able to deliver a continuous deal flow of acquisition targets that exhibit the criteria and characteristics which support their long-term strategy to create a large industrial conglomerate within the next few years.

#### STABILITECH BIOPHARMA LIMITED

As announced on 22 May 2020, First Sentinel has invested a total of GBP270,000 in Stabilitech Biopharma Limited through the acquisition of 23,336 ordinary shares giving First Sentinel an equity interest of approximately 0.675% in Stabilitech.

#### About Stabilitech:

Stabilitech is a UK based biotechnology company developing next generation vaccines and biopharmaceuticals since 2005. Currently, Stabilitech is focused on the development of OraPro-COVID-19, an oral vaccine that provides double immunity, can be self-administered and delivered by post.

#### Redemption of AQSE Bonds

On 1 February 2018, First Sentinel announced that it intended to issue up to GBP 4,000,000 sterling denominated 7.0% Secured Bonds due 28 February 2023, to be admitted to trading on the AQSE Exchange in tranches. The Bonds are redeemable each year, and at a 5% premium if held to maturity, and Bondholders' interests are partially protected by a credit insurance policy provided by Equinox Global, which covers (subject to a GBP1 million aggregate cap per policy year) the risk of insolvency of certain underlying debtors of the Company's subsidiary, Perennial Enterprise PTY Ltd. In February 2019, all AQSE Bonds were issued and now only AQSE Bonds that have been redeemed and are held in treasury are available to investors.

In the first half of 2020, First Sentinel has redeemed 135,000 AQSE Bonds. The redemption price, comprising the principal amount and accrued interest, has been repaid to investors in full. A total of 352,118 AQSE Bonds are currently available to investors.

#### About First Sentinel

First Sentinel is an alternative investment company, registered with the FCA as a small authorised UK AIFM, which provides growth capital for public and private company investments. First Sentinel invests in a range of debt and equity instruments in target portfolio companies.

The Company's website is [www.first-sentinel.com](http://www.first-sentinel.com)

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