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THE FOLLOWING ANNOUNCEMENT IS AN ADVERTISEMENT AND NOT A PROSPECTUS OR PROSPECTUS EQUIVALENT DOCUMENT AND INVESTORS SHOULD NOT MAKE ANY INVESTMENT DECISION IN RELATION TO SAROSSA SHARES EXCEPT ON THE BASIS OF THE INFORMATION IN THE OFFER DOCUMENT, WHICH IS PROPOSED TO BE PUBLISHED IN DUE COURSE

1 June 2017:

MANDATORY CASH OFFER
by
BLAKE HOLDINGS LIMITED
to acquire the whole of the issued share capital
of
SAROSSA PLC

1. Introduction

- 1.1 On 20 July 2016 Sarossa announced that Blake, Richard Griffiths, Michael Bretherton and James Ede-Golightly (who for the purposes of the City Code are acting in concert and together are the **Blake Concert Party**) collectively held 187,787,514 Sarossa Shares representing 40.65% of the issued ordinary share capital, and voting rights, of Sarossa.
- 1.2 On 10 May 2017, Blake announced that it had increased its shareholding in Sarossa, following which the Blake Concert Party held 239,737,514 Sarossa Shares representing 51.89% of the issued ordinary share capital, and voting rights, of Sarossa.
- 1.3 Under Rule 9 of the City Code, Blake, on behalf of the Blake Concert Party, is required to make a mandatory offer for the Sarossa Shares not already held by Blake or the other members of the Blake Concert Party at a price of one pence per Sarossa Share in cash.
- 1.4 Accordingly, Blake now confirms that it will make such mandatory offer through the despatch of the Offer Document and relevant form of acceptance, both of which will be posted to Sarossa shareholders (or made available electronically in accordance with the City Code) as soon as practicable.
- 1.5 The definitions used in this announcement are contained in Appendix 2 to this announcement.

2. The Offer

- 2.1 The Offer will be made on the terms set out below and in Appendix 1 of this announcement and will be further subject to the terms to be set out in the Offer Document and in the relevant form of acceptance.
- 2.2 The Offer will be made on the following basis:

for each Sarossa Share one pence in cash

- 2.3 The Offer will extend to all issued Sarossa Shares which are not held by members of the Blake Concert Party and any further Blake Shares which are unconditionally allotted or issued and fully paid before the Offer closes.
- 2.4 The Offer will remain open for acceptance, subject to the provisions of Appendix 1 of this announcement and the terms of the Offer Document, until 1.00 p.m. on the 21st day after the date of publication of the Offer Document or (if that day is a Saturday, Sunday or a public holiday) on the next succeeding business day.
- 2.5 The Offer is unconditional. Certain further terms of the Offer are set out in Appendix 1 of this Announcement and the detailed terms of the Offer will be set out in the Offer Document.
- 2.6 The Offer values the total current issued share capital of Sarossa at approximately £4.62 million.

3. Background to and reasons for the Offer

- 3.1 Sarossa is a Jersey registered, unlisted public company whose shares were delisted from the AIM market on 1 February 2016, following shareholder approval at a general meeting held on 6 January 2016.
- 3.2 On 6 January 2016, Sarossa Shareholders voted to approve a waiver, granted by the Panel, of the obligation that would otherwise have arisen on the Blake Concert Party to make a general offer to the shareholders of Sarossa pursuant to Rule 9 of the City Code as a result of the reduced number of Sarossa Shares that would have been in issue following the buyback by Sarossa of 81,518,446 Sarossa Shares.
- 3.3 On 10 May 2017, Blake announced that it had increased its shareholding in Sarossa, following which the Blake Concert Party held 239,737,514 Sarossa Shares representing 51.89% of the issued ordinary share capital, and voting rights, of Sarossa. In accordance with Rule 9 of the City Code, Blake, on behalf of the Blake Concert Party, is required to make a mandatory cash offer to acquire all of the issued and to be issued share capital of Sarossa not already owned by Blake or other members of the Blake Concert Party.
- 3.4 Prior to the increase in shareholding, the Blake Concert Party were interested in Sarossa Shares which in aggregate carried not less than 30 per cent of the voting rights of Sarossa but not more than 50 per cent of such voting rights. The increase in shareholding increased the percentage of shares carrying voting rights in which Blake, together with persons acting in concert with it, are interested.
- 3.5 Rule 9 of the City Code requires that where a shareholder, together with persons acting in concert with him, has an interest of not less than 30 per cent but does not hold more than 50 per cent of a company's voting share capital, and then acquires an interest in any further shares he is required to make a mandatory cash offer for the entire issued share capital not already owned by him and persons acting in concert with him. Following the increase in shareholding due to the purchases by the Blake Concert Party, and pursuant to Rule 9 of the City Code, Blake is therefore required to make an offer for all the Sarossa Shares not already owned by it or by persons acting in concert with it.
- 3.6 The full details of the purchases by Blake are as follows:

Date	Number of Sarossa Shares purchased by Blake	Price per Sarossa Share	Total consideration for purchase
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10 May 2017	51,950,000	One penny	£519,500
11 May 2017	13,250,000	One penny	£132,500

- 3.7 The Offer represents a potential opportunity for Sarossa Shareholders to realise the value in their Sarossa Shares and provides a chance to exit Sarossa following its delisting from AIM in 2016 as referenced in paragraph 3.1.

4. Information on Sarossa

- 4.1 Sarossa was incorporated in Jersey on 7 March 2014 as a registered public company, and was admitted to AIM on 2 May 2014, with its shares delisted from the AIM market on 1 February 2016, following shareholder approval at a general meeting of Sarossa held on 6 January 2016.
- 4.2 Sarossa's registered office is at Floor 1 Liberation Station Esplanade St Helier Jersey JE2 3AS and its chairman is Michael Bretherton with Ross Hollyman and Jonathan Morley-Kirk acting as non-executive directors.
- 4.3 Sarossa is an investment holding and management company whose principal activity is investment in businesses which present opportunities for value creation. Sarossa is mainly focused on portfolio investment businesses with product and service platforms targeting major international markets through customers and partners with an international profile.
- 4.4 The audited consolidated financial statements of Sarossa for the period 1 July 2015 to 30 June 2016 together with the unaudited financial statements for the half year to 31 December 2016 can be found on the company website at www.sarossapl.com.
- 4.5 A biography of Michael Bretherton, who is a director of Blake as well as of Sarossa, is set out at paragraph 5.4.
- 4.6 Ross Hollyman was appointed as a non-executive Director of Sarossa's predecessor entity, Sarossa Capital Plc, on 7 December 2011. He is currently a non-executive director of Sarossa and has been employed in the investment industry in the UK for over 20 years having previously been an investment director at GAM Limited and JP Morgan Fleming Asset Management, and Head of Global Equities at Liontrust Asset Management plc. Ross is currently an Investment Director at Sabre Fund Management Ltd and the investment manager of the Sabre Global Opportunities Fund, an equity Long/Short hedge fund.
- 4.7 Jonathan Morley-Kirk was appointed as a non-executive Director of Sarossa's predecessor entity, Sarossa Capital Plc, on 25 October 2012. He is currently a non-executive Director of Sarossa and has served as Chairman of Fox-Davies Capital from 2003 to 2008 and, previously, he also served as a director of S G Warburg Securities and Samuel Montagu & Co. He is currently a non-executive director of EastSiberian PLC (formerly PetroKamchatka), which is listed on the Toronto Stock Exchange, non-executive chairman of Nyota Minerals, which is listed on AIM and the Australian Securities Exchange, and non-executive chairman of Bluebird Merchant Ventures, listed on the London Stock Exchange.

5. Information on Blake and the other members of the Blake Concert Party

- 5.1 Blake was incorporated in Jersey on 14 August 2013 as a private limited company for the purpose of holding and managing investments within its investment portfolio. Blake's share capital is owned as to 50.1% by Richard Griffiths and as to 49.9% by Mr Griffiths' wife, Sally Griffiths.

- 5.2 Blake's registered office is at Kensington Chambers, 46/50 Kensington Place, St Helier, Jersey JE1 1ET and its directors are Richard Griffiths and Michael Bretherton.
- 5.3 Richard Griffiths is (through his interest in Blake) the largest shareholder of Sarossa and is the chairman and founder of ORA Limited. He has had a long career founding, running, investing in and advising growth companies. Previously, Mr Griffiths was founder and executive chairman of the Evolution Group Plc, a diversified financial group, taking it from start up to FTSE 250 membership within 5 years. Mr Griffiths subsequently went on to become founder and chairman of ORA Capital Partners Plc in 2006. Before distributing its assets in late 2013, ORA Capital Partners Plc had made an annual rate of return of 38 per cent to its shareholders. Mr Griffiths has also been a venture or strategic investor in many successful UK companies including IP Group Plc, Nanoco Group Plc, Tissue Regenix Group Plc, GVC Holdings Plc, Oxford Nanopore Limited and Plectrum Petroleum Plc.
- 5.4 Michael Bretherton was appointed as a non-executive director of Sarossa's predecessor entity, Sarossa Capital Plc, in March 2011 and subsequently took on the role of finance director on Sarossa Capital Plc's admission to AIM in January 2012, before being appointed chairman on 25 October 2012. He is currently the executive chairman of Sarossa. He is also non-executive chairman of Adams Plc and is a director of Cronin Group Plc and is a director of ORA Limited. In addition, Mr Bretherton has been a director of six other AIM quoted companies, including Nanoco Group Plc, Ceres Power Holdings Plc, Tissue Regenix Group Plc and Oxford Pharmascience Group Plc.
- 5.5 James Ede-Golightly is also a member of the Blake Concert Party. Mr Ede-Golightly graduated in economics from St John's College, Cambridge, whereupon he joined Merrill Lynch Investment Managers where he worked as an analyst covering European Credit and equity markets. Mr Ede-Golightly subsequently moved to Commerzbank as an analyst and trader within the Special Situations proprietary trading team, before joining ORA Capital Partners Plc where he served as an executive director until October 2009 before moving to a non-executive role. He is currently chairman of East Balkan Properties Plc and Gulfsands Petroleum Plc and is also a director of Cronin Group Plc and of ORA Limited.

6. Financing of the Offer

It is estimated that full acceptance of the Offer would require payment by Blake, under the terms of the Offer, which will extend to all existing issued Sarossa Shares (other than the Sarossa Shares held by members of the Blake Concert Party), of an amount of £2.09 million in cash, which will be satisfied out of Blake's existing cash resources. Canaccord Genuity Wealth (International) has confirmed that it holds the necessary cash funds for Blake to enable it to satisfy in full the consideration payable by Blake under the terms of the Offer.

7. Disclosure of interests in Sarossa

- 7.1 Blake subsequently disclosed on 11 May 2017 that it had acquired further Sarossa Shares and following which the Blake Concert Party is interested in aggregate in 252,987,514 Shares representing 54.76% of the issued ordinary share capital, and voting rights, of Sarossa.

- 7.2 The interests of the Blake Concert Party in relevant securities of Sarossa as at the date of this announcement are as follows:

<i>Member of Blake Concert Party</i>	<i>Sarossa Shares</i>	<i>Percentage of Sarossa Shares</i>
Blake Holdings Limited*	242,399,249	52.47%
Michael Bretherton	9,744,140	2.11%
James Ede-Golightly	844,125	0.18%
TOTAL	<u>252,987,514</u>	<u>54.76%</u>

*As disclosed at paragraph 5.1 above, Richard Griffiths is interested in this holding as a 50.1% shareholder of Blake Holdings Limited.

- 7.3 Save for the interests of the Blake Concert Party described above, neither Blake nor any person acting in concert with Blake has any interest in, or right to subscribe for, any relevant securities of Sarossa, or any short positions (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery.
- 7.4 Neither Blake nor any of its associates has procured any irrevocable commitment or letter of intent in respect of any relevant securities of Sarossa.
- 7.5 Neither Blake nor any person acting in concert with Blake has borrowed or lent any relevant securities of Sarossa (save for any borrowed shares which have been either on-lent or sold).
- 7.6 There are no arrangements of the kind referred to in Note 6(b) to Rule 8 of the City Code or Note 11 to the definition of “acting in concert” in the City Code which exist between Blake or any associate of Blake and any other person in relation to any relevant securities of Sarossa.
- 7.7 Blake confirms that its Opening Position Disclosure was made on 11 May 2017, setting out the details required to be disclosed by it under Rule 8.1(a) of the City Code.
- 7.8 For the purposes of this paragraph 7, the terms “associate”, “interest” and “relevant securities” have the same meanings as defined in the City Code.

8. Further details

- 8.1 The Offer Document, setting out full details of the Offer, and the related form of acceptance will be published as soon as practicable.
- 8.2 The Offer will not be made directly or indirectly in or into the United States, Canada, Japan or Australia. Accordingly, copies of this announcement are not being, and must not be, mailed or otherwise distributed or sent in or into or from the United States, Canada, Japan or Australia. The availability of the Offer to persons outside the United Kingdom may be affected by the laws of other jurisdictions. Such persons should inform themselves about and observe any applicable requirements of those jurisdictions.
- 8.3 This announcement does not constitute, or form part of, an offer or an invitation to purchase or sell Sarossa Shares or any other securities.

- 8.4 There are no agreements or arrangements to which Blake is a party which relate to the circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Offer (and the Offer is unconditional).
- 8.5 There are no inducement fees or similar arrangements between Blake and Sarossa or any member of the Blake Concert Party.

9. Documents published on a website

- 9.1 The following documents will be published on Blake's website found at www.blake.je, in accordance with Rules 26.1 and 26.2 of the City Code:
- 9.1.1 the announcement made by Blake Holdings Limited on behalf of itself and its concert parties on 10 May 2017;
- 9.1.2 the Opening Position Disclosure and Dealing Disclosure of the Blake Concert Party published on 11 May 2017; and
- 9.1.3 this announcement.
- 9.2 In accordance with Rule 30.4 of the City Code, a copy of this announcement will be made available free of charge (subject to any applicable restrictions with respect to persons resident in Restricted Jurisdictions) on the website of Blake at www.blake.je by no later than 12 noon (London time) on 2 June 2017. For the avoidance of doubt, the content of the website is not incorporated by reference and does not form part of this announcement.

10. Further information and disclosure requirements of the City Code

- 10.1 Sarossa has confirmed to Blake that in accordance with Rule 2.9 of the City Code, it has, as at the date of this announcement, 462,008,478 ordinary shares of one pence each in issue. These shares are not admitted to trading on any market or stock exchange following the delisting of Sarossa from the AIM market of the London Stock Exchange on 1 February 2016.
- 10.2 The Panel has granted Sarossa and Blake a dispensation from the requirements under the City Code that announcements must be published via a Regulatory Information Service ("RIS"). Sarossa and Blake are instead required to publish all announcements on the Investor Centre section of Sarossa's website at <http://www.sarossapl.com>. No announcements will be sent in hard copy form to Sarossa shareholders.
- 10.3 The Panel has also granted a dispensation from the requirements in Note 3 on Rule 8 of the City Code that disclosures made under Rule 8 of the City Code must be made to an RIS. Therefore, any Opening Position Disclosures and Dealing Disclosures required under Rule 8 of the City Code may be made to Sarossa by email to office@sarossapl.com and will be published on the Investor Centre section of Sarossa's website at www.sarossapl.com. A copy must also be sent to the Panel's Market Surveillance Unit by email to monitoring@disclosure.org.uk.
- 10.4 Under Rule 8.3(a) of the City Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a)

applies must be made by no later than 3.30 p.m. (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 p.m. (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

- 10.5 Under Rule 8.3(b) of the City Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 p.m. (London time) on the business day following the date of the relevant dealing.
- 10.6 If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.
- 10.7 Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).
- 10.8 Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

11. Responsibility statement

The Blake Directors (including those who may have delegated detailed supervision of the preparation of this announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this announcement (other than any information relating to Sarossa or any opinion expressed by Sarossa) are fair and accurate and no material facts have been omitted from this announcement, the omission of which would make any statement in this announcement misleading, and they jointly and severally accept responsibility accordingly.

12. Press enquiries

- 12.1 On behalf of the Blake Concert Party:
Michael Bretherton, Director (telephone: 01534 719761)
- 12.2 On behalf of Blake:
Richard Griffiths, Director (telephone: 01534 719761)

IMPORTANT NOTICE

You may request a hard copy of this announcement (and any information incorporated by reference in this announcement) by writing to Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen B63 3DA or calling 0121 585 1131. It is important that you note that unless you make a request, a hard copy of this announcement and any such information incorporated by reference in it will not be sent to you. You may also request that all future documents, announcements and information to be sent to you in relation to the Offer should be in hard copy form.

THIS ANNOUNCEMENT IS FOR INFORMATION PURPOSES ONLY AND IS NOT INTENDED TO, AND DOES NOT, CONSTITUTE OR FORM ANY PART OF, AN OFFER TO SELL OR AN INVITATION TO SUBSCRIBE FOR OR PURCHASE ANY SECURITIES OR THE SOLICITATION OF ANY VOTE OR APPROVAL IN ANY JURISDICTION, NOR SHALL THERE BE ANY SALE, ISSUANCE OR TRANSFER OF THE SECURITIES REFERRED TO IN THIS ANNOUNCEMENT IN ANY JURISDICTION IN CONTRAVENTION OF APPLICABLE LAW. THE OFFER WILL BE MADE SOLELY BY MEANS OF THE OFFER DOCUMENT, WHICH WILL CONTAIN THE FULL TERMS AND CONDITIONS OF THE OFFER, AND IN THE CASE OF SAROSSA SHARES HELD IN CERTIFICATED FORM, THE FORM OF ACCEPTANCE. ANY ACCEPTANCE IN RELATION TO THE OFFER SHOULD BE MADE ONLY ON THE BASIS OF THE INFORMATION CONTAINED IN THE OFFER DOCUMENT. SHAREHOLDERS ARE ADVISED TO READ THE OFFER DOCUMENT CAREFULLY, ONCE IT HAS BEEN DESPATCHED.

The availability of the Offer and the release, publication and distribution of this announcement in jurisdictions other than the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons who are not resident in the United Kingdom into whose possession this announcement comes should inform themselves about and observe any such restrictions. Failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Offer disclaim any responsibility or liability for the violation of such restrictions by any person. Copies of this announcement and any formal documentation relating to the Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction and persons receiving such documents (including, without limitation, custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in, into or from any Restricted Jurisdiction.

This announcement has been prepared for the purpose of complying with English law, the City Code and the AIM Rules and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of jurisdictions outside the United Kingdom.

Appendix 1
Further terms of the Offer

1. The Offer is unconditional.
2. The Offer extends to all existing issued Sarossa Shares (other than the Sarossa Shares held by members of the Blake Concert Party) and will extend to any further Sarossa Shares which are unconditionally allotted or issued and fully paid before the Offer closes.
3. The availability of the Offer to persons not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions. Persons who are not resident in the United Kingdom should inform themselves about and observe any applicable requirements.
4. The Sarossa Shares which are the subject of the Offer will be acquired, fully paid, free from all liens, charges, encumbrances, rights of pre-emption and any other third party rights of any nature whatsoever and together with all rights now or hereafter attaching thereto, including the right to receive and retain in full all dividends and other distributions, if any, declared, made or paid after the date hereof.
5. Blake, on behalf of the Blake Concert Party, reserves the right to reduce the Offer consideration by the amount of any dividend (or other distribution) which is paid or becomes payable by Sarossa to the holders of Sarossa Shares.
6. The Offer will comply with the provisions of the City Code. The Offer and any acceptances under it will be governed by English law and be subject to the jurisdiction of the courts of England.

Appendix 2 Definitions

The following definitions apply throughout this announcement unless the context requires otherwise:

AIM	the AIM Market of London Stock Exchange plc.
Blake	Blake Holdings Limited, a company incorporated in Jersey under the Companies (Jersey) Law 1991 (as amended) with Jersey registered number 113725.
Blake Concert Party	Blake, Richard Griffiths, Michael Bretherton and James Ede-Golightly, each of Kensington Chambers, 46-50 Kensington Place, St. Helier, Jersey JE1 1ET.
Blake Directors	the directors of Blake, being Richard Griffiths and Michael Bretherton.
City Code	the City Code on Takeovers and Mergers.
concert party or acting in concert	has the same definition as in the City Code.
London Stock Exchange	the London Stock Exchange Plc.
Offer	the mandatory cash offer by Blake to acquire the Sarossa Shares not held by the Blake Concert Party on the terms to be set out in the Offer Document including, where the context requires, any subsequent revision, variation, extension or renewal of such offer.
Offer Document	the formal document to be sent to Sarossa shareholders setting out the full terms of the Offer.
Panel	the Panel on Takeovers and Mergers.
Restricted Jurisdiction	subject always to the requirements of Rule 23.2 of the City Code in relation to the distribution of offer documentation to jurisdictions outside the UK, any jurisdiction where extension of the Offer would violate the law of that jurisdiction.
Sarossa	Sarossa Plc, a company incorporated in Jersey under the Companies (Jersey) Law 1991 (as amended) with registered number 115158.
Sarossa Shares	the existing issued or unconditionally allotted and paid (or credited as fully paid) ordinary shares of one pence each in the capital of Sarossa and any further shares which are unconditionally allotted or issued fully paid (or credited as fully paid) on or prior to the date on which the Offer closes (excluding, for the avoidance of doubt, treasury shares).