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1 October 2018

**SHEARWATER GROUP PLC**  
**(“Shearwater, the “Company” or the “Group”)**

**Open Offer information and timetable**

Further to the announcement on 28 September 2018 relating to the update on proposed Acquisition of Brookcourt Solutions Limited, Placing and Open Offer, Shearwater Group plc provides further information on the Open Offer.

**The Open Offer**

The Company considers it important that, where reasonably practicable, Shareholders should have an opportunity to participate in its equity fundraisings. Accordingly, the Company is proposing to raise up to £995,372 (before expenses) by way of the Open Offer, at the previously announced placing price of 3.6 pence per share.

Subject to the terms and conditions of the Open Offer, the Company invites qualifying shareholders, being only Shareholders who are resident in the United Kingdom on the Ex-Entitlement Date, to apply for their Basic Entitlement of Open Offer Shares at the Issue Price. Each Qualifying Shareholder’s Basic Entitlement has been calculated on the basis of 1 Open Offer Share for every 36 Existing Ordinary Shares held at the Record Date.

Further information is contained in the admission document which is available on the Company website: [www.theshearwatergroup.co.uk](http://www.theshearwatergroup.co.uk). Terms and definitions contained within this announcement have the same meaning as those defined in the admission document.

**Timetable**

Announcement of the Placing and the Open Offer	28 September 2018
Publication and posting of the Admission Document (including Notice of General Meeting), Application Form (if applicable) and Form of Proxy	28 September 2018
Record Date for entitlements under the Open Offer	6.00 p.m. on 27 September 2018
Existing Ordinary Shares recommence trading on AIM	7.30 a.m. on 1 October 2018
Ex-Entitlement Date for the Open Offer	8:00 a.m. on 2 October 2018
Open Offer Entitlements credited to stock accounts in CREST of Qualifying CREST Shareholders	as soon as practicable from 8:00 a.m. on 2 October 2018
Recommended latest time and date for requesting withdrawal of Open Offer Entitlements from CREST	4:30 p.m. on 5 October 2018
Latest time and date for depositing Open Offer Entitlements into CREST	3:00 p.m. on 10 October 2018
Latest time and date for splitting of Application Forms ( <i>to satisfy bona fide market claims only</i> )	3:00 p.m. on 11 October 2018

Latest time and date for receipt of Forms of Proxy and receipt of electronic proxy appointments via the CREST system	11:00 a.m. on 12 October 2018
Latest time and date for receipt of completed Application Forms and payment in full under the Open Offer and settlement of relevant CREST instructions (as appropriate)	11:00 a.m. on 15 October 2018
Announcement of the results of the Open Offer	16 October 2018
General Meeting	11:00 a.m. on 16 October 2018
Admission effective and trading in the Enlarged Share Capital expected to commence on AIM	8:00 a.m. on 17 October 2018
Completion of the Acquisition expected	8:00 a.m. on 17 October 2018
Expected date for CREST accounts to be credited (where applicable)	8:00 a.m. on 17 October 2018
Despatch on definitive share certificates (where applicable) in respect of Consideration Shares, Placing Shares and Open Offer Shares to be held in certificated form	within 10 business days of Admission

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*The distribution of this announcement, the Circular and any other documentation associated with the Placing and the Open Offer into jurisdictions other than the United Kingdom may be restricted by law. Persons into whose possession these documents come should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws or regulations of any such jurisdiction. In particular, such documents should not be distributed, forwarded to or transmitted, directly or indirectly, in whole or in part, in, into or from a Restricted Jurisdiction.*

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indirectly, within the United States except in reliance on an exemption from the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States.

There will be no public offer of the New Ordinary Shares in the United States. The New Ordinary Shares are being offered and sold outside the United States in reliance on Regulation S under the US Securities Act. The New Ordinary Shares have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission in the US or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the New Ordinary Shares or the accuracy or adequacy of this announcement. Any representation to the contrary is a criminal offence in the United States.

The New Ordinary Shares have not been and will not be registered under the relevant laws of any state, province or territory of any Restricted Jurisdiction and may not be offered, sold, resold, taken up, transferred, delivered or distributed, directly or indirectly, within any Restricted Jurisdiction except pursuant to an applicable exemption from registration requirements. There will be no public offer of New Ordinary Shares in Australia, Canada, Japan, or the Republic of South Africa.

This announcement has been issued by and is the sole responsibility of the Company. The information contained in this announcement is for background purposes only and does not purport to be full or complete. The information in this announcement is subject to change without notice.

This announcement may contain and the Company may make verbal statements containing "forward-looking statements" with respect to certain of the Company's plans and its current goals and expectations relating to its future financial condition, performance, strategic initiatives, objectives and results. Forward-looking statements sometimes use words such as "aim", "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", "seek", "may", "could", "outlook" or other words of similar meaning. By their nature, all forward-looking statements involve risk and uncertainty because they relate to future events and circumstances which are beyond the control of the Company, including amongst other things, United Kingdom domestic and global economic business conditions, market-related risks such as fluctuations in interest rates and exchange rates, the policies and actions of governmental and regulatory authorities, the effect of competition, inflation, deflation, the timing effect and other uncertainties of future acquisitions or combinations within relevant industries, the effect of tax and other legislation and other regulations in the jurisdictions in which the Company and its affiliates operate, the effect of volatility in the equity, capital and credit markets on the Company's profitability and ability to access capital and credit, a decline in the Company's credit ratings; the effect of operational risks; and the loss of key personnel. As a result, the actual future financial condition, performance and results of the Company may differ materially from the plans, goals and expectations set forth in any forward-looking statements. Any forward-looking statements made in this Announcement by or on behalf of the Company speak only as of the date they are made. Except as required by applicable law or regulation, the Company expressly disclaims any obligation or undertaking to publish any updates or revisions to any forward-looking statements contained in this Announcement to reflect any changes in the Company's expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based.

Cenkos, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority is acting as nominated adviser and broker to Shearwater in connection with the Proposed Acquisition and the Proposed Placing. Cenkos is acting exclusively for Shearwater and no one else in connection with the Proposed Acquisition and the Proposed Placing and will not be responsible to anyone other than Shearwater for providing the protections afforded to clients of Cenkos or for providing advice in relation to the Proposed Acquisition and the Proposed Placing or the contents of this announcement or any transaction, arrangement or matter referred to herein.

Apart from the responsibilities and liabilities, if any, which may be imposed on Cenkos by the FSMA or the regulatory regime established thereunder, Cenkos does not accept any responsibility whatsoever for the contents of this announcement, and makes no representation or warranty, express or implied, for the contents of this announcement, including its accuracy, completeness or verification, or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company or the New Ordinary Shares, the Placing or the Open Offer, and nothing in this announcement is or shall be relied upon as, a promise or representation in this respect whether as to the past or future. Cenkos accordingly disclaims to the fullest extent permitted by law all and any liability whether arising in tort, contract or otherwise (save as referred to above) which it might otherwise have in respect of this announcement or any such statement.

**Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("MiFID II"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "MiFID II Product Governance Requirements"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the Product Governance Requirements) may otherwise have with respect thereto, the New Ordinary Shares have been subject to a product approval process, which has determined that the New Ordinary Shares are: (i) compatible with an end target market of (a) retail investors, (b) investors who meet the criteria of professional clients and (c) eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "Target Market Assessment"). Notwithstanding the Target Market Assessment, distributors**

***should note that: the price of the New Ordinary Shares may decline and investors could lose all or part of their investment; the New Ordinary Shares offer no guaranteed income and no capital protection; and an investment in the New Ordinary Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Placing. Furthermore, it is noted that, notwithstanding the Target Market Assessment, Cenkos will only procure investors who meet the criteria of professional clients and eligible counterparties.***

***For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the New Ordinary Shares.***

***Each distributor is responsible for undertaking its own target market assessment in respect of the New Ordinary Shares and determining appropriate distribution channels.]***

*Neither the content of the Company's website nor any website accessible by hyperlinks to the Company's website is incorporated in, or forms part of, this announcement.*