

**Adams plc**  
("Adams" or the "Company")

**Proposed Change of Investing Policy**  
**Notice of Extraordinary General Meeting**

The Company announces the posting of a circular to Shareholders today setting out proposals to change the Company's Investing Policy, which is subject to the approval of Shareholders at a general meeting. The circular contains a notice of the Extraordinary General Meeting at to be held at IOMA House, Hope Street, Douglas, Isle of Man, IM1 1AP, on 8 September 2017 at 11.20 a.m. (or as soon thereafter as the Annual General Meeting of the Company also being held on that date, concludes or is adjourned).

**Proposal to revise the existing Investing Policy**

Under the existing Investing Policy adopted by the Company at an EGM on 8 March 2013, the focus of the Board is to seek to acquire an interest or interests in undervalued or pre-commercialisation projects and assets in the biotechnology sector, whilst also considering opportunities in the wider technology sector as well as opportunities that may arise in other sectors. The principal geographic focus is on opportunities in the UK or Europe but the Board will also consider possible opportunities anywhere in the world.

The Board now believes that the Company and its Shareholders would benefit from the adoption of a revised Investing Policy which provides the Directors with a broader, more flexible approach to creating shareholder value.

**Proposed revised Investing Policy**

The proposed revised Investing Policy is:

The Board will seek to acquire a direct and/or indirect interests in special situation investment opportunities that have an element of distress, dislocation, dysfunction or other special situation attributes and that they perceive to be undervalued. The principal focus will be in the small to middle-market capitalisation sectors in the UK or Europe but the Directors will also consider possible special situation opportunities anywhere in the world if they believe there is an opportunity to generate added value for Shareholders.

The Directors intend to identify investment opportunities offering the potential to deliver a favourable return to Shareholders over the medium to long term, primarily in the form of a capital gain. A particular consideration will be to identify businesses which, in the opinion of the Directors, are under-valued due to any of a number of special situations that adversely impact the business's short-term prospects and/or underlying value but which business interests the Directors believe have a solid fundamental core or sound development potential to present opportunities for value creation.

The Company's interest in a potential investment may range from a minority position to 100 per cent. ownership and the interest may be either quoted or unquoted. Investments may be made in shares, or by the acquisition of assets (including intellectual property) of a relevant business, or by entering into partnerships, joint ventures, equity derivatives, contracts for differences or other equity or debt related securities that the Board deem appropriate.

There will be no limit on the number of projects into which the Company may invest, and the Company's financial resources may be invested in a number of propositions or in just one investment, which may be deemed to be a reverse takeover pursuant to Rule 14 of the AIM Rules.

While the Directors intend to take into account the level of existing funds available for investment when assessing the amount of any investment, it is not proposed that there be any maximum investment limit.

The Company may be both an active and a passive investor depending on the nature of the individual investments.

Although the Company intends to be a medium to long term investor, there will be no minimum or maximum limit on the length of time that any investment may be held and short-term investments may be made.

The Company will not have a separate investment manager.

The Company may require additional funding as investments are made and new opportunities arise. The Directors may offer new Ordinary Shares by way of consideration, as well as cash, thereby helping to preserve the Company's cash resources. The Company may, in appropriate circumstances, issue debt securities or otherwise borrow money to complete an investment.

Given the nature of the Company's Investing Policy, the Company does not intend to make regular periodic disclosures or calculations of net asset value other than at the time of publication of its half year and annual results.

The Board's principal focus will be on achieving capital growth for Shareholders.

**Enquiries:**

**Adams plc**

Mike Bretherton

Tel: +44 1534 719761

**Nomad - Cairn Financial Advisers LLP**

Sandy Jamieson, James Caithie

Tel: +44 207 213 0880

**Broker - Peterhouse Corporate Finance Limited**

Heena Karani

Tel: +44 207 469 3393