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Assignment of Shareholder Loan Facility

ADAMS PLC

Released 15:24:56 19 June 2020

RNS Number : 5494Q

Adams PLC

19 June 2020

Adams plc

("Adams" or the "Company")

Assignment of Shareholder Loan Facility

Adams is an investing company with an investing policy under which the Board is seeking to acquire interests in special situation investment opportunities that have an element of distress, dislocation, dysfunction or other special situation attributes and that the Board perceives to be undervalued. The principal focus is 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.

The Company believes there is potential to yield increased investment returns if Adams has access to further cash resources to finance additional special situation investment opportunities. As announced on 29 January 2019, in support of the Company's investment strategy, the Company entered into a facility loan agreement (the "Loan Agreement") with the Company's largest shareholder, Richard Griffiths, and his controlled company, Blake Holdings Limited ("Blake"), for the provision of an unsecured loan facility of up to £3 million in total (the "Loan Facility"). The Loan Facility may be drawn down by the Company in minimum tranches of £500,000 and has no fixed term, but is repayable in full or in part six months after any repayment notice issued by either Blake or the Company. Interest accrues daily based on a rate of 7 per cent. per annum and is paid six monthly in arrears. No arrangement, commitment or exit fees have or will be charged.

There have been no draw downs on the Loan Facility to date but Blake recently requested to assign the Loan Agreement to Richard Griffiths and Richard Griffiths has agreed to the assignment to him of the Loan Agreement without change and to assume all of the rights and obligations in respect thereof, under the terms of a loan assignment agreement (the "Loan Assignment Agreement") dated today 19 June 2020.

As Richard Griffiths and Blake are substantial shareholders in the Company, they are both deemed to be a related party pursuant to the AIM Rules for Companies (the "AIM Rules"). The entering into the Loan Assignment Agreement is therefore a related party transaction for the purposes of Rule 13 of the AIM Rules.

Michael Bretherton, Chairman, is not independent for the purposes of the related party transaction given that he is also a director of Blake, in which he holds no shares. The other directors of Adams, Nick Woolard and Andy Mitchell, are both deemed independent for these purposes and consider, having consulted with the Company's nominated adviser, Cairn Financial Advisers LLP, that the terms of the Loan Assignment Agreement are fair and reasonable insofar as the shareholders of Adams are concerned.

Market Abuse Regulation (MAR) Disclosure

Certain information contained in this announcement would have been deemed inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 until the release of this announcement.

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