

SyQic PLC

Offer Update

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SyQic PLC

14 November 2016

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14 November 2016

SyQic plc
("SyQic" or the "Company")

Termination of possible offer discussions

Further to the announcement by Yuma Ventures Ltd ("Yuma") on 11 November 2016 that it does not intend to make an offer for SyQic, the Independent Directors of SyQic provide the following update.

The Company announced on 20 April 2016 that it was in discussions with Jamal Hassim, Chief Executive of SyQic, and MMV Investments (HK) Limited, a company owned by Johan Robb, (together "Bidco"), in connection with a possible offer for the whole of the issued share capital of the Company. SyQic has announced subsequently a number of extensions to the timetable deadline under Rule 2.6(c) of the City Code on Takeovers and Mergers (the "City Code"). The Company subsequently clarified that Yuma, currently owned by Jamal Hassim, was being considered by Bidco as the entity to be used for any possible offer by Bidco for the Company.

Unfortunately, despite the best efforts of the Independent Directors of SyQic and their advisers to secure an acceptable offer for SyQic shareholders it has not been possible to agree a price and these offer discussions have now terminated.

Bidco and Yuma will, except with the consent of the UK Panel on Takeovers and Mergers, be bound by the restrictions contained in Rule 2.8 of the City Code (which prima facie restricts them from making an offer for SyQic within six months following the date of their cessation announcement except in the circumstances set out in Note 2 to Rule 2.8 of the City Code). As a result of the cessation of these discussion the Company is no longer in an Offer Period as defined by the City Code.

As shareholders will have noted the Company announced on 7 November 2016 strong trading results for the year to 31 December 2015 and for the half year to 30 June 2016. These results demonstrate that the Company has been impeded by the problems of the late payment of trade receivables and the pressure this has placed on the cash funding of the Company. The financial statements for the year ended 31 December 2015 contained a qualified audit opinion as the Company's auditors were unable to obtain sufficient audit evidence to assess the recoverability of the Company's trade debtors. Additionally, the audit opinion for the year ended 31 December 2015 included an emphasis of matter as the Company's ability to continue as a going concern is dependent, inter alia, on the collection of trade receivables and its ability to raise additional funding. As a consequence, the Company's shares remain suspended from trading on AIM.

The Directors of SyQic are reviewing a number of options with their advisers to raise additional working capital for the Company which will place the Company on a sound financial footing.

The Directors are also working to have trading in the Company's shares on AIM restored as soon as possible. In the event that trading in the Company's shares is not restored within six months of the date of suspension, trading in the Company's shares on AIM will be cancelled altogether.

Further announcements will be made in due course.

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A copy of this announcement will be made available (subject to certain restrictions relating to persons resident in restricted jurisdictions) at www.syqic.com by no later than 12 noon (London Time) on the first business day following the date of this announcement.

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