



Issue of £5.6million Convertible Loan Notes

[SUPPLY@ME CAPITAL PLC](#)

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16 June 2021

Supply@ME Capital plc
(The "Company" or "SYME")
Issue of £5.6m Convertible Loan Notes
to support SYME's continued development

Supply@ME Capital plc, the innovative fintech platform which provides the Inventory Monetisation[©] service to manufacturing and trading companies, is pleased to announce that it has entered into a subscription agreement ("**Subscription Agreement**") with Negma Group Ltd^[1] ("**Negma**") for the issue of an initial tranche of £5,600,000 of Convertible Loan Notes ("**Convertible Loan Notes**"). The Subscription Agreement allows for a further nine tranches to be issued at the same par value exclusively at the option of the Company.

The Company has issued a drawdown notice to Negma in relation to the first tranche of Convertible Loan Notes at an aggregate £5,600,000 in par value. Negma is to subscribe at a subscription price of £50,000 per Convertible Loan Note for an aggregate total of £5,000,000.

Negma Group is an alternative investment fund providing small and mid-cap companies with funding required to support their growth. With its debt and equity financing solutions, the firm presents impactful and sustainable opportunities to listed SMEs and largecaps globally. As of June 2021, Negma's closed-end fund has invested over one billion Euros.

The net proceeds of the issue of the Convertible Loan Notes will provide funding for the Company to:

- support the completion of the acquisition of TradeFlow Capital Management Pte. Ltd. ("TradeFlow");
- meet the working capital requirements of the Company and support new potential strategic projects; in this regard:
 - its intention of the Company to start a feasibility study with reference a potential dual listing of SYME's shares on NASDAQ and/or other trading venues;
 - further growth initiatives, supporting the inventory monetisation transactions, will be disclosed, separately, by the Company.

Details of the Convertible Loan Notes

The key elements of Negma's Convertible Loan Notes include:

- The principal amount of the Convertible Loan Notes is £56,000,000, divided into ten tranches of up to 100 Convertible Loan Notes of £56,000 each. The Company has issued a drawdown notice to Negma in relation to the first tranche of Convertible Loan Notes;
- Following the first tranche, the Company shall have the right (but not the obligation) to require Negma to subscribe for up to nine (9) further tranches of Notes of up to 100 Convertible Loan Notes each, over the next 24 months;
- The Subscription Price payable by Negma for each Loan Note shall be £50,000 including all fees;
- No interest is payable on the Convertible Loan Notes;
- The Convertible Loan Notes are unsecured;
- The Convertible Loan Notes issued in the first tranche are redeemable in full or in part by the Company in cash at any time from the Issue Date at 102.5% of the par value. Up to 50 per cent. of any Convertible Loan Notes issued in any subsequent tranche can be redeemed at 100% of par value prior to the date falling 12 months after the relevant date of issue (the "Maturity Date");
- The Convertible Loan Notes are convertible into the Company's ordinary shares ("Ordinary Shares") at any time during the period commencing on the fifth business day following the relevant Issue Date and ending at 5.00 p.m. London time on the business day immediately prior to the relevant Maturity Date
- The price used for the conversion will be equal to 100 per cent. of the lowest VWAP as reported by Bloomberg for an Ordinary Share over the six consecutive trading days ending on the day prior to the date of service of the relevant conversion notice (but cannot be lower than the nominal value of an Ordinary Share);
- On a Maturity Date, to the extent any Convertible Loan Notes have not been converted into Ordinary Shares they must be repaid by the Company at par;
- Prior to conversion, the Convertible Loan Notes do not entitle the holder to any voting rights in the Company;
- The Convertible Loan Notes will not be listed on any market or stock exchange but can be transferred by a holder.

Commenting on the announcement, Alessandro Zamboni, SYME CEO, said: *This new funding facility will support SYME's continued business development not only in terms of providing additional working capital but by helping to finance the Company's first strategic acquisition. The investment by Negma will also help to open up new markets where we are looking at the possibility of a dual listing. Also gaining traction from TradeFlow's business, we expect high growth rates for the Group and we do not rule out working shortly with additional strategic funding partners."*

Rodolfo Galbiati, Fund Director at Negma Group added: *"We are very proud to support Supply@me during this period of very exciting growth. The management team is executing a business strategy in line with their ambitions, and the acquisition of TradeFlow will further this work. By creating substantial shareholder value and synergies, this acquisition will continue to drive Supply@me to a rapidly expanding global client base. Negma is delighted to support European Fintech success stories and entrepreneurs."*

Notes

Supply@ME enables businesses to generate cashflow, without incurring debt, by monetising their existing stock. Before a business has found an end-customer for its inventory, the Supply@ME platform enables them to sell ("monetise") their stock and receive cash immediately to boost their working capital. The Supply@ME service enables strong companies to improve their working capital cycle. SYME does not monetise inventory for companies in financial difficulty or with inventory that they are struggling to sell.

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[1] <https://www.negmagroup.com/>

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