

**FOR IMMEDIATE RELEASE:
22 JUNE 2018**

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THE INFORMATION COMMUNICATED IN THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF ARTICLE 7 OF THE MARKET ABUSE REGULATION EU NO. 596/2014 ("MAR").

PROGILITY PLC

("Progility" or "the Company" or "the Group")

**CANCELLATION OF ADMISSION OF ORDINARY SHARES TO TRADING ON AIM
AVAILABILITY OF PURCHASE FACILITY
AUTHORITY TO ALLOT NEW ORDINARY SHARES AND DISAPPLICATION OF STATUTORY
PRE-EMPTION RIGHTS
NOTICE OF GENERAL MEETING**

Progility plc (AIM: PGY) is the holding company of a systems integration and project management services group which has been created to provide a range of project management services including innovative and market leading technology solutions.

Progility announces that, following discussions with Praxis, Progility's majority and controlling shareholder, your Board has determined to convene a General Meeting with the purpose of proposing the cancellation of trading of the Company's Ordinary Shares on AIM. Praxis has proposed to your Board that it believes that it is in the best interests of the Company to seek the Delisting and that the Company should thereafter continue as an unquoted public company. Praxis is trustee for the DNY Trust of which Wayne Bos, Executive Chairman, along with his family, are discretionary beneficiaries. Under the AIM Rules, a proposal to cancel the trading of the Company's securities on AIM is conditional on the requisite notice being given to the London Stock Exchange and on the consent being granted in general meeting by Shareholders holding not less than 75 per cent. of the votes cast on the resolution proposed at such general meeting.

Given that Praxis currently owns 1,034,352 Ordinary Shares, representing approximately 64.75 per cent. of the Company's issued share capital, the Independent Directors are aware that Praxis has the ability to formally requisition the convening of a general meeting for the purpose of proposing the Delisting. As a result, the Independent Directors have concluded that to demand a formal requisition from Praxis would only serve to increase the Company's costs in a situation where no advantage would be gained by the Company in so doing. It is for this reason that the Independent Directors have agreed to publish this document and to convene the General Meeting. The Company has also today given notice to AIM of the proposed Delisting.

Shareholders should note that, as Praxis, Mmilt Pty Limited (as trustee of the Vecchio Family Trust) and Arden Nominees Pty Limited (as trustee for the Vecchio Superannuation Fund) which together own 260,264 Ordinary Shares, and when combined with Praxis's holding of Ordinary Shares represent approximately 81.05 per cent. of the Company's share capital have confirmed to the Board their intention to vote in favour of the Resolution at the General Meeting, it is anticipated that the trading of Shares on AIM will be cancelled with effect from 7.00 a.m. on 23 July 2018. This does not, however, preclude Shareholders from attending and voting (whether in person or by proxy) at the General Meeting and Shareholders are actively encouraged to do so.

As at the close of business on 20 June 2018 (being the latest practicable date prior to this announcement), the Company had approximately 336 Shareholders holding, in aggregate, 562,980 Ordinary Shares in the Company not owned by Praxis. Both the Independent Directors, Michael Higgins and John Caterer, and Praxis continue to have significant regard to the situation of the Minority Shareholders and recognise that cancelling the trading of Shares on AIM will make it considerably more difficult for Ordinary Shareholders to sell or buy Ordinary Shares should they so wish.

Therefore, following consultation with the Panel, Praxis has agreed to arrange for the establishment of a purchase facility with a view to acquiring any or all of the 562,980 Ordinary Shares it does not currently own from any Minority Shareholders wishing to sell their Ordinary Shares. In order to treat all Shareholders equally, Praxis is prepared to offer the same price of 55.0 pence per Ordinary Share, for a limited period, that is until 1.00 p.m. on 3 August 2018. Shareholders will therefore have a period of approximately six weeks, being the period commencing on the date of this document and ending at 1.00 p.m. on 3 August 2018 to sell their Shares to Praxis. The Company expects that the last day of trading of the Company's Ordinary Shares on AIM will be Friday 20 July 2018, with cancellation of admission to trading on AIM becoming effective at 7.00 a.m. on Monday 23 July 2018.

The price at which Praxis is prepared to acquire the Shares it does not currently own has been determined following detailed discussion with the Independent Directors, who in turn have consulted with the Company's financial advisers, SPARK. The Independent Directors have been particularly concerned that the intended Delisting is not used as a reason simply to coerce Minority Shareholders to sell or for the Minority Shareholders to be offered a price which undervalues the business of Progility. They have also taken into account the ability for Shareholders to sell their Shares in the current market and also the associated transaction costs particularly for holders of small numbers of Shares.

Details of the Independent Directors' recommendation, and reasons for their recommendation, are set out further below.

Further details about the Purchase Facility, and what to do if you wish to sell your Shares to Praxis, are set out in paragraphs headed "Details about Praxis's Purchase Facility and action to be taken" and "Procedure for selling your Ordinary Shares" below.

Set out below are (i) the reasons for the Delisting, (ii) details about the Praxis purchase facility (and the action you should take if you wish to sell all or part of your shareholding in the Company prior to the proposed Delisting) and (iii) details of the General Meeting.

Notice of the General Meeting to be held on 10 July 2018 at 10.00 a.m. at the Company's Head Office, 7th Floor, 95 Aldwych, London, WC2B 4JF will be included in the document being sent to shareholders.

Background to, and reasons for, the Delisting

Progility's Ordinary Shares have been admitted to trading on AIM for some time; Praxis became a shareholder in 2012, and the majority shareholder in the Company, as a result of a reverse takeover of Progility Pty Limited, in October 2013 when there was a waiver of their obligations under Rule 9 of the City Code. Praxis is trustee of the DNY Trust, a trust of which Wayne Bos, Executive Chairman of the Company, is a discretionary beneficiary.

The Board has previously been content to maintain the trading of the Shares on AIM as it preserved strategic and financial flexibility, particularly in terms of providing the Company with potential access to capital market funding or the possibility of enabling it to offer equity consideration for the acquisition of complementary businesses should appropriate opportunities arise. However, this has proved very difficult in practice with the Company needing to use debt funding, provided by Praxis, to execute its acquisition strategy.

Having carefully kept the matter under review, the Board and Praxis have now concluded that it is not appropriate for the Company to maintain the trading of its Shares on AIM, an assessment supported by the Independent Directors for the following reasons:

- only 327,853 of the Company's Ordinary Shares (representing approximately 20.53 per cent of the issued Shares) are held in public hands, as both Praxis and Mmilt own more than 10 per cent. each of the Company's issued share capital and are therefore excluded from this figure. There is very little liquidity in the Ordinary Shares. As at the close of business on 21 June 2018, only 78 share trades have been recorded in the Company's Ordinary Shares, on the London Stock Exchange's website since 1 January 2018. Given Praxis's shareholding (and that of the Concert Party), there are, in the Independent Directors' opinion, no other natural buyers of the Ordinary Shares which has meant that, in practice, Minority Shareholders have not been able easily to sell their Ordinary Shares. In addition, minimum share transaction dealing costs from stockbrokers may also dissuade Shareholders from selling their shares in the market. There are approximately 294 Shareholders who own 1,000 Shares or less; with minimum share transaction costs normally ranging from approximately £5-£12.50 per trade, the Independent

Directors believe this may be a dis-incentive to trade in the Company's shares and so contribute to the lack of liquidity that the Company is experiencing;

- in the opinion of Praxis and the Independent Directors, market conditions are currently such that a fundraising, should one be pursued, would unlikely be achieved at a suitable share price in the near future;
- given the illiquidity of the Shares, it is unlikely that any company identified in the short to medium term as an acquisition opportunity would be prepared to accept Shares as consideration;
- the current capital structure of the Company, which includes substantial debt from Praxis accruing interest means that without a significant restructuring it is unlikely that a significant return will be generated for Shareholders in the foreseeable future. Praxis, as at 19 June 2018, had £18.97 million of principal debt outstanding to the Company and its group and a further £12.18 million of accrued interest. Any form of financial restructuring will require the cooperation and support of Praxis and is likely to involve significant dilution of the Shareholders, given the market capitalisation of the Company being less than £1 million at the current price of 52.50 pence per Share. Following the Delisting the Board intends to enter into discussions with Praxis on a financial restructuring.

Resolutions 1 and 2 set out in the Notice have been proposed to enable the Company to proceed with any such restructuring. Resolution 1, proposed as an ordinary resolution (the passing of which will require more than 50 per cent. of the votes cast voting in favour of it), seeks approval for the Directors to allot Ordinary Shares up to a maximum nominal value of £100,000, representing up to 40,000,000 of new Ordinary Shares. Resolution 2, proposed as a special resolution (the passing of which will require at least 75 per cent. of the votes cast voting in favour of it), if passed, will enable the Directors to allot up to a maximum nominal value of £100,000, representing up to 40,000,000 new Ordinary Shares without having to comply with statutory pre-emption rights;

- although the financial year ended 30 June 2017 showed significant progress, as stated in the interim results for the period ended 31 December 2017, the need to continue to focus on operational controls and efficiencies has held back performance in the current year together with some one-off charges which have been absorbed in the period. Significant changes have been made in the leadership of the underlying businesses in recent weeks, but the benefits of these changes is taking time to flow through. The restrictions of the Company's current capital structure and the slow recovery in performance underpin the need to reorganise the capital structure;
- at present the annual costs associated with the maintenance of the trading of Shares on AIM are approximately £70,000, and the interests of the Company would best be served by removing these costs and allowing the Company's business to develop outside the regulatory constraints to which it is currently subject; and a disproportionate amount of senior management time is spent in meeting AIM Rules and related regulatory requirements, including reporting, disclosure and corporate governance requirements.

Future strategy of Praxis

As a result of the Proposals, Praxis does not anticipate there will be any change in the terms and conditions of employment of Progility's employees or management going forward. Praxis has however indicated that in the absence of the Company generating adequate cash to start paying a greater proportion of the interest on the debt it has, Praxis intends to enter into discussions with the Board, after the Delisting, to reorganise the Company's outstanding debt and accrued interest. Following this, Praxis and the Company would intend to accelerate the speed of operational improvement in the businesses to put the Company back into a position where it can achieve acceptable levels of performance.

Details about Praxis's Purchase Facility and action to be taken

The Independent Directors and Praxis recognise that cancelling the trading of the Company's Ordinary Shares on AIM will make it significantly more difficult for Minority Shareholders to sell (or to buy) Ordinary Shares should they so wish. Accordingly, in consultation with the Panel and with the support of the Independent Directors, upon advice from SPARK, Praxis has agreed to purchase the Ordinary Shares it does not currently own from the Minority Shareholders if they so wish. The price at which Praxis will buy such Ordinary Shares is the same for all the Minority Shareholders and is 55.0 pence per Ordinary Share in cash. In addition, Shareholders

will be able to sell their Ordinary Shares without incurring dealing costs (which will be borne by Praxis, so increasing the cash return over a market sale through a broker who will charge dealing commission) by following the instructions set out in the paragraph headed "Procedure for selling your Ordinary Shares" below. Minority Shareholders should further note that (i) this is the only price at which Praxis is prepared to acquire Ordinary Shares, (ii) the same price is being made available to all Minority Shareholders (iii) this price will not be subject to any amendment during the Sale Period, and (iv) this price will be free of any trading costs, which will be borne by Praxis.

Furthermore, the Independent Directors consider the price of 55.0 pence per Ordinary Share, at which Praxis is prepared to purchase the Ordinary Shares from Minority Shareholders to be fair and reasonable for the following reasons:

- it represents a premium of 4.8 per cent. over the average Closing Price for Ordinary Shares in the month to 21 June 2018, being the last business day prior to the announcement of the Delisting; this premium excludes the benefit of the lack of share trading costs, which will be borne in full by Praxis;
- given the absence of any liquidity for any larger holdings of stock all Shareholders are able to obtain this price; and
- the current level of debt means the Company is dependent on the continuing support of Praxis and with a level of debt with Praxis, including accrued interest being just over £31 million at the end of April 2018 and an equity value at the indicated Closing Price of £0.84 million any form of restructuring is likely to involve substantial dilution for Shareholders.

As a result, the Independent Directors, having been so advised by SPARK, believe that the price at which Praxis is prepared to acquire Shares held by Minority Shareholders is fair and reasonable and that the Proposals are in the best interests of Shareholders. In providing advice to the Board, SPARK has taken account the Independent Directors' commercial assessments. They therefore recommend that those Minority Shareholders who wish to realise their investment in Progility should sell their holding to Praxis. Minority Shareholders have from the date of this document until 1.00 p.m. on 3 August 2018, to sell all or part of their shareholding to Praxis.

Subject to the passing of the necessary Resolution at the General Meeting, it is anticipated that trading in Ordinary Shares on AIM will cease at close of business on 20 July 2018, with cancellation of such trading taking effect from 7.00 a.m. on 23 July 2018. The Sale Period will remain open for a further 15 days until 1.00 p.m. on 3 August 2018.

The procedure for selling Ordinary Shares is set out further below in the paragraph headed "Procedure for selling your Ordinary Shares" below.

The City Code and transfers

Following the Delisting (and for at least 10 years thereafter), the City Code will continue to apply to the Company. In addition, whilst the Ordinary Shares will remain freely transferable, there will be no public market for any Ordinary Shares not purchased by Praxis and they will cease to be transferable through CREST. Shareholders who currently hold Ordinary Shares in uncertificated form (that is, in CREST) and who do not sell their Ordinary Shares to Praxis will receive share certificates in due course following the Delisting taking effect. Share transfers may still be effected after the date of Delisting, or the end of the Sale Period (assuming there is a willing buyer) by depositing a duly executed and stamped stock transfer form together with an appropriate share certificate with the Company's Registrar. Since October 2013, Praxis has been able to purchase any remaining Shares which it does not own, from Minority Shareholders, without having to extend that offer to all the remaining Shareholders, this position will continue post Delisting and after the end of the Sale Period.

Financial Information on Progility

Copies of the report and accounts of Progility for each of the three financial years ended 30 June 2015, 2016, 2017 and the half year report to 31 December 2017 are available from <https://www.progility.com/investor-relations/financial-reports>.

United Kingdom taxation

The following paragraphs, which are intended as a general guide only and are based on current UK tax legislation and our understanding of Her Majesty's Revenue and Customs practice, summarise certain limited aspects of the UK taxation treatment of the disposal of Shares by Minority Shareholders. They relate only to the position of certain classes of taxpayer and only to those Minority Shareholders who hold their Shares beneficially as an investment (other than under an individual savings account) and who are resident or, in the case of individuals, resident and domiciled in the UK for tax purposes. If you are in any doubt as to your taxation position, or if you are subject to taxation in any jurisdiction other than the UK, you should consult an appropriate independent professional adviser immediately.

(a) UK taxation of chargeable gains ("CGT")

Liability to UK tax on chargeable gains will depend on the individual circumstances of each Ordinary Shareholder. The sale by a Minority Shareholder of his Shares for cash will constitute a disposal for the purposes of UK tax on chargeable gains which may, depending on the Shareholder's individual circumstances (including the availability of exemptions or allowable losses), give rise to a liability to CGT or an allowable loss.

(b) Stamp Duty and Stamp Duty Reserve Tax ("SDRT")

No stamp duty or SDRT will be payable by Minority Shareholders as a result of their sale of Ordinary Shares.

Procedure for selling your Ordinary Shares

Praxis is willing to purchase Ordinary Shares from Minority Shareholders at a fixed price of 55.0 pence per Ordinary Share at any time between the date of this document and 1.00 p.m. on 3 August 2018. SPARK has received written confirmation from Praxis that it has deposited funds with Link Asset Services sufficient to purchase all of the 562,980 Ordinary Shares held by Minority Shareholders and that it has irrevocably instructed Link Asset Services to purchase, on Praxis's behalf, up to 562,980 Ordinary Shares at a price of 55.0 pence per Share from Minority Shareholders who have submitted Purchase Facility Forms with Link Asset Services by 1.00 p.m. on 3 August 2018, which is the end of the Sale Period.

Shareholders do not have to sell any Ordinary Shares if they do not wish to, but, once submitted a Purchase Facility Form and/or TTE Instruction are irrevocable and cannot be withdrawn.

Subject to the passing of the necessary Resolution at the General Meeting, after the close of business on 20 July 2018, there will be no public market for any Ordinary Shares not purchased by Praxis as part of the above Purchase Facility process.

a) Shares held in certificated form

Qualifying Shareholders who hold Ordinary Shares in certificated form and who wish to participate in the Purchase Facility should follow the instructions on the Purchase Facility Form that will accompany the document and return it to the Receiving Agent by post or by hand (during normal business hours only) to Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU, to arrive by no later than the Closing Time. Qualifying Shareholders who hold their Ordinary Shares in certificated form should also send their share certificate(s) or other documents of title in respect of the Ordinary Shares tendered with their Purchase Facility Form to the Receiving Agent at Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, to be received no later than the Closing Time. Further details of the procedure for selling and settlement are set out in this Circular and on the accompanying Purchase Facility Form. COMPLETED PURCHASE FACILITY FORMS MUST BE RECEIVED BY NOT LATER THAN 1.00 P.M. ON 3 AUGUST 2018.

The execution of the Purchase Facility Form will constitute the irrevocable appointment of any director or officer of the Company, or other person(s) nominated by Praxis, as a Shareholder's attorney and/or agent and an irrevocable instruction and authorisation for the Attorney to complete and execute all or any instruments of transfer and/or other documents at the Attorney's absolute discretion in relation to the Ordinary Shares being tendered by that Qualifying Shareholder. Further details of the procedures for the Purchase Facility and settlement will be set out in the Circular and, in the case of Qualifying Shareholders selling Ordinary Shares held in certificated form, in the Purchase Facility Form. Further copies of the Purchase Facility Form may be obtained on request from the Link Asset Services on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. and 5.30 p.m. (UK time), Monday to Friday excluding public holidays in

England and Wales. Please note that Link Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

b) Interest in Ordinary Shares held in uncertificated form in CREST

Qualifying Shareholders who hold their interest in Ordinary Shares in uncertificated form in CREST and who wish to sell all or any of their Ordinary Shares under the Purchase Facility should sell electronically through CREST so that the TTE Instruction settles no later than the Closing Time.

The input and settlement of a TTE Instruction shall constitute an instruction to sell the specified number of Ordinary Shares at the purchase price, by transferring such Ordinary Shares to the relevant escrow account as detailed below.

If a Shareholder is a CREST sponsored member, the Shareholder should refer to his/her CREST sponsor before taking any action. A Shareholder's CREST sponsor will be able to confirm details of the Shareholder's Participant ID and the member account ID under which the Shareholder's Ordinary Shares are held. In addition, only the Shareholder's CREST sponsor will be able to send the TTE Instruction to Euroclear in relation to the Shareholder's Ordinary Shares.

To sell Shares in uncertificated form you should send (or, if you are a CREST sponsored member, procure that your CREST sponsor sends) a TTE Instruction to Euroclear, which must be properly authenticated in accordance with Euroclear's specifications for transfers to escrow and which must contain, in addition to the other information that is required for the TTE Instruction to settle in CREST, the following details:

- (A) the ISIN for the Ordinary Shares which is: GB00BF5L3580;
- (B) the number of Ordinary Shares to be transferred to an escrow balance;
- (C) your Member Account ID;
- (D) your Participant ID;
- (E) the Participant ID of the Receiving Agent, in its capacity as a CREST receiving agent, which is RA10;
- (F) the member account ID of the escrow agent, which is 29743PRO;
- (G) the Corporate Action Number of the Purchase Facility, which is allocated by Euroclear and is available by viewing the relevant corporate action detail, in CREST;
- (H) the intended settlement date for the transfer to escrow. This should be as soon as possible and, in any event, no later than the Closing Time of 1.00 p.m. on 3 August 2018;
- (I) the standard delivery instruction with Priority 80; and
- (J) contact name and telephone number inserted in the shared note field.

After settlement of the TTE Instructions, Shareholders will not be able to access their Ordinary Shares, the subject of such TTE Instruction in CREST for any transaction or charging purposes, notwithstanding that, the Ordinary Shares will be held by the Receiving Agent until they are transferred to the Receiving Agent, as escrow agent for Praxis, unless the Exit Facility becomes void or is terminated. Shareholders are recommended to refer to the CREST Manual published by Euroclear for further information on the CREST procedures outlined above.

If Shareholders are in any doubt as to the procedure for acceptance under the purchase facility, please contact Link Asset Services on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the UK will be charged at the applicable international rate. The helpline is open between 9.00 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in the UK. Please note that Link Asset Services cannot provide advice on the merits of the Purchase Facility nor give any financial, legal or tax advice. Shareholders are reminded that, if he/she are a CREST sponsored member, he/she should contact his/her CREST sponsor before taking any action.

Terms and Conditions

Each Shareholder by whom, or on whose behalf, a Purchase Facility Form is executed, irrevocably undertakes, represents, warrants and agrees to and with Praxis (so as to bind him, his personal representatives, heirs, successors and assigns) to the following:

- (a) that the execution of the Purchase Facility Form shall constitute an irrevocable offer to sell the total number of Ordinary Shares as are specified on the Purchase Facility Form, subject to the terms and conditions set out or referred to in this document and the Purchase Facility Form;
- (b) that he is the sole beneficial owner of the Ordinary Shares in registered form in respect of which the Ordinary Shares specified on the Purchase Facility Form and he is the legal owner of such Ordinary Shares and he has the necessary capacity and authority to execute the Purchase Facility Form;
- (c) that such Shareholder has full power and authority to sell, assign or transfer the Ordinary Shares and when such Ordinary Shares are purchased by Praxis, Praxis will acquire such Ordinary Shares free and clear from all liens, charges, restrictions, claims, equitable interests and encumbrances and together with all rights attaching thereto and such representation and warranty will be true in all respects at the time Praxis purchases such Ordinary Shares as if it had been entered into anew at such time and shall not be extinguished by such purchase;
- (d) that the execution of the Purchase Facility Form will constitute the irrevocable appointment of Praxis and any director of Praxis, or other person nominated by Praxis, as such Shareholder's Attorney and an irrevocable instruction and authorisation to the Attorney to do all acts and things as may in the Attorney's opinion be necessary or expedient for the purpose of, or in connection with, the Ordinary Shares being tendered by the Shareholder pursuant to the Purchase Facility;
- (e) that he agrees to ratify each and every act or thing which may be done or effected by the Attorney or Praxis or any of its directors or any person nominated by Praxis in the proper exercise of his powers and/or authorities hereunder;
- (f) that he shall do all such acts and things as shall be necessary or expedient and execute any additional documents deemed by Praxis to be desirable to complete the purchase of the Ordinary Shares by Praxis and/or to perfect any of the authorities expressed to be given hereunder;
- (g) that the terms and conditions in this document shall be deemed to be incorporated in, and form part of, the Purchase Facility Form, which shall be read and construed accordingly;
- (h) that, such Shareholder, if an Overseas Shareholder, has fully observed any applicable legal requirements and that he may tender his Shares under the Purchase Facility under the laws of the relevant jurisdiction;
- (i) that such Shareholder is participating in the Purchase Facility from outside any Restricted Jurisdiction;
- (j) that such Shareholder has not received or sent copies or originals of this document, the Purchase Facility Form or any related documents in, into or from a Restricted Jurisdiction.

Each Shareholder by whom, or on whose behalf, an electronic acceptance is made by submission of a TTE instruction, irrevocably undertakes, represents, warrants and agrees to and with Praxis (so as to bind him, his personal representatives, heirs, successors and assigns) to the following:

- (a) that the input of a TTE Instruction shall constitute an irrevocable offer to sell the total number of Ordinary Shares specified in the TTE Instruction, in each case subject to the terms and conditions set out or referred to in this document;
- (b) that he is the sole beneficial owner of the Ordinary Shares in respect of which the Ordinary Shares specified in the TTE Instruction and he is the legal owner of such Ordinary Shares and he has the necessary capacity and authority to effect the electronic acceptance;
- (c) that such Shareholder has full power and authority to sell, assign or transfer the Ordinary Shares (as the case may be) and when such Ordinary Shares are purchased by Praxis, Praxis will acquire such Ordinary Shares free and clear from all liens, charges, restrictions, claims, equitable interests and encumbrances and together with all rights attaching thereto and such representation and warranty will be true in all respects at the time Praxis purchases such Ordinary Shares as if it had been entered into anew at such time and shall not be extinguished by such purchase;

- (d) that the input of the TTE Instruction will constitute the irrevocable appointment of Praxis and any director of Praxis, or other person nominated by Praxis, as such Shareholder's Attorney and an irrevocable instruction and authorisation to the Attorney to do all acts and things as may in the Attorney's opinion be necessary or expedient for the purpose of, or in connection with, the Ordinary Shares being tendered by the Shareholder pursuant to the Purchase Facility;
- (e) that he agrees to ratify each and every act or thing which may be done or effected by the Attorney or Praxis or any of its directors or any person nominated by Praxis in the proper exercise of his powers and/or authorities hereunder;
- (f) that he shall do all such acts and things as shall be necessary or expedient and execute any additional documents deemed by Praxis to be desirable to complete the purchase of the Ordinary Shares by Praxis and/or to perfect any of the authorities expressed to be given hereunder;
- (g) that if, for any reason, any Ordinary Shares in respect of which a TTE Instruction has been made are, prior to the end of the Sale Period, converted into certificated form, the electronic tender in respect of such Ordinary Shares shall cease to be valid and the Shareholder will need to comply with the procedures for tendering Ordinary Shares in certificated form as set out above in respect of the Ordinary Shares so converted, if he wishes to make a valid tender of such Ordinary Shares pursuant to the Purchase Facility;
- (h) that, such Shareholder, if an Overseas Shareholder, has fully observed any applicable legal requirements and that he may tender his Shares under the Purchase Facility under the laws of the relevant jurisdiction;
- (i) that such Shareholder is participating in the Purchase Facility from outside any Restricted Jurisdiction;
- (j) that such Shareholder has not received or sent copies or originals of this document, the Purchase Facility Form or any related documents in, into or from a Restricted Jurisdiction.

Settlement

Unless the Purchase Facility becomes void or is terminated or is extended, the outcome of the Purchase Facility is expected to be announced on or about 6 August 2018. The payment of any consideration for Ordinary Shares will be made only after the relevant TTE Instruction has settled or (in the case of Ordinary Shares in certificated form) timely receipt by the Receiving Agent of share certificate(s) and/or other document(s) of title, or an indemnity in lieu thereof, a properly completed and duly executed Purchase Facility Form and any other documents required by the Purchase Facility Form.

Settlement of the consideration to which any Shareholder is entitled pursuant to the Purchase Facility, will be made as follows:

Ordinary Shares held in uncertificated form

Where the Purchase Facility is accepted in relation to Ordinary Shares held in CREST any cash consideration will be paid by means of CREST by Link Asset Services acting as Receiving Agent procuring the creation of an assured payment obligation in favour of the payment of accepting Shareholders in accordance with the CREST assured payment arrangements, expected to be not later than five Business Days after the day that the outcome of the Purchase Facility is announced.

Ordinary Shares in certificated form

Where an acceptance of the Purchase Facility relates to Ordinary Shares in certificated form cheques for the consideration will be despatched by first class post, expected to be not later than five Business Days after the day that the outcome of the Purchase Facility is announced at the risk of the person entitled thereto. All cash payments will be made in pounds sterling by cheque drawn on a branch of a UK clearing bank. Delivery of cash for the Ordinary Shares will be made by the Receiving Agent. The Receiving Agent will act as agent Praxis in relation to the Purchase Facility for the purpose of receiving the cash and transmitting such cash to such Shareholders.

Overseas Shareholders

The Purchase Facility is not available to Shareholders whose address, as stated on the Register, is in a Restricted Jurisdiction, or who are resident in a Restricted Jurisdiction. The Board shall use its discretion in deciding whether

the Purchase Facility is made available to Shareholders whose address or place of residence is not in a Restricted Jurisdiction but is outside the UK.

The availability of the Purchase Facility in, or to persons resident in, jurisdictions outside the United Kingdom or custodians, nominees or trustees for persons who are citizens, residents or nationals of jurisdictions outside the United Kingdom may be prohibited or affected by the laws of the relevant overseas jurisdiction. Shareholders who are Overseas Shareholders should inform themselves about and observe any applicable legal or regulatory requirements. It is the responsibility of any such Shareholder wishing to tender Ordinary Shares to satisfy himself as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, the compliance with other necessary formalities and the payment of any issue, transfer or other taxes due in such jurisdiction. If you are in any doubt about your position, you should consult your professional adviser in the relevant jurisdiction. Any such Shareholder will be responsible for any such issue, transfer or other taxes payable and the Company and any person acting on their behalf shall be fully indemnified and held harmless by such Shareholder for any such issue, transfer or other taxes such person may be required to pay. No steps have been taken to register or qualify the Purchase Facility or to authorise the extending of the Purchase Facility or the distribution of this Circular, the Purchase Facility Form and any related documents in any territory outside the United Kingdom.

These provisions and any other terms of the Purchase Facility relating to Overseas Shareholders may be waived, varied or modified as regards specific Shareholders or on a general basis by the Company in its absolute discretion.

General Meeting and action to be taken

The Delisting is conditional upon the approval of Shareholders holding not less than 75 per cent. of the votes cast (whether in person or by proxy) at the General Meeting. The meeting will be held at 10.00 a.m. on 10 July 2018 at the Company's Head Office, 7th Floor, 95 Aldwych, London, WC2B 4JF. Shareholders should note that Praxis, which holds approximately 64.75 per cent. of the Shares, Mmilt Pty Limited, trustee of the Vecchio Family Trust and Arden Nominees Pty Limited (as trustee for the Vecchio Superannuation Fund) which together own 260,264 Ordinary Shares, which together represent approximately 81.05 per cent. of the Company's share capital have confirmed to the Board their intention to vote in favour of the Resolutions at the General Meeting.

Recommendation by the Independent Directors

The Independent Directors, who have been so advised by SPARK, consider the price of 55.0 pence per Ordinary Share at which Praxis is willing to buy Ordinary Shares from Minority Shareholders to be fair and reasonable and that the Proposals are in the best interests of Ordinary Shareholders as a whole. In providing advice to the Independent Directors, SPARK has taken into account the Independent Directors' commercial assessments. Ordinary Shareholders should be aware that, following the Delisting and the end of the Sale Period, there will be no public market for their Ordinary Shares and the opportunity for realising any value for their shareholdings will be uncertain. The Independent Directors therefore recommend that those Minority Shareholders wishing to realise their investment should sell their Ordinary Shares to Praxis via the process outlined above. John Caterer, who owns 100 Ordinary Shares (representing 0.006 per cent. of the issued share capital of the Company) has irrevocably undertaken to vote in favour of all the Resolutions and has indicated that he will sell his Shares under the Purchase Facility following the General Meeting.

Expected timetable of principal events

	2018
Circular and Form of Proxy posted to Shareholders	22 June
Latest time and date for receipt of Form of Proxy	10.00 a.m. on 8 July
General Meeting	10.00 a.m. on 10 July
Last day for dealings in Shares on AIM	20 July
Cancellation of trading of Shares on AIM	7.00 a.m. on 23 July
Sale Period opens	22 June

Sale Period closes	1.00 p.m. on 3 August
Record Time	6.00 p.m. on 3 August
Announcement of take up of the Purchase Facility	on or about 6 August
Cheques despatched and payment through CREST for the Purchase Facility	by 13 August 2018

Documents

In compliance with AIM Rule 20, the circular to Shareholders will be available on its website www.progility.com pursuant to AIM Rule 26 later today.

Terms in this announcement will have the same meaning as in the circular.

Further announcements will be made as appropriate.

For further information, please contact:

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Cautionary notice regarding forward looking statements

This announcement includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "forecasts", "plans", "prepares", "anticipates", "projects", "expects", "intends", "may", "will", "seeks", or "should" or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this announcement and include statements regarding the Company's, the Directors' and Praxis' intentions, beliefs or current expectations concerning, amongst other things, the Company's prospects, growth and strategy. No statement in this announcement is intended to be a profit forecast and no statement in this document should be interpreted to mean that earnings per ordinary share of the Company for the current or future years would necessarily match or exceed the historical published earnings per ordinary share of the Company.

By their nature, forward-looking statements involve risks and uncertainties because they relate to future events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. The Company's actual performance, achievements and financial condition may differ materially from those expressed or implied by the forward-looking statements in this document. In addition, even if the Company's results of operations, performance, achievements and financial condition are consistent with the forward-looking statements in this document, those results or development may not be indicative of results or developments in subsequent periods.

Any forward-looking statements that the Company or Praxis makes in this announcement speak only as of the date of such statement, and none of the Company or the Directors or Praxis undertake any obligation to update such statements unless required to do so by applicable law. Comparisons of results for current and any prior periods are not intended to express any future trends or indications of future performance, unless expressed as such, and should only be viewed as historical data.