

Progility plc

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

Issue of Loan Notes

Progility plc (AIM: PGY), the systems integrator and project management services firm, announces the issue, by Progility Finco Limited, of a further tranche of £500,000 of the redeemable loan stock announced on 1 July 2014 ("Loan Notes") to DNY Investments Limited, an asset of the DNY Trust, a family trust of which Wayne Bos, Executive Chairman of Progility, is a discretionary beneficiary. The proceeds of the issue will be used by the Group to meet general working capital requirements.

The Independent Directors of Progility, having consulted with SPARK Advisory Partners Limited, as Nominated Adviser to the Company, consider the terms of the Loan Notes to be fair and reasonable insofar as the shareholders are concerned. In providing advice to the Independent Directors, SPARK Advisory Partners Limited has taken into account the Independent Directors' commercial assessments of this related party transaction.

Application will be made for the new Loan Notes to be admitted to the Official List of the Channel Islands Securities Exchange Authority Limited.

For further information, please contact:

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Group Description

Progility plc, the systems integrator and project management services firm has four divisions: Technology Solutions, Training, Consulting and Recruitment.

Technology Solutions

The technology solutions division comprises Progility Technologies in Australia and India and Starkstrom in the UK.

Progility Technologies operates a communication systems integration business that designs, implements and maintains solutions for medium and large enterprises with a focus on the rail, port, oil and gas, power, water and healthcare industries in Australia, on the healthcare, hospitality, financial services, public sector, manufacturing, education and IT sectors in India and on the mining industry globally.

The Australian business, which was merged with the Group in October 2013, is headquartered in Melbourne, Australia, and has offices in Sydney, Brisbane, Perth, Latrobe Valley, and



Castlemaine. The Indian business joined the Group in December 2014, is headquartered in Mumbai and operates through a network of 21 offices throughout India.

It has three operating divisions: **Enterprise Communications**, which focuses on communications systems integration, designs voice and IP communications solutions for specific customers' operating environments and is a major provider of enterprise based Unify unified communication systems in Australia and India; **CA Bearcom**, Australia's largest distributor of two-way radio communications products and services, primarily supplied by Motorola; and **Minerals & Energy Technologies**, which designs, implements and manages an array of integrated communications solutions for specific mining, oil and gas, rail and port applications.

Starkstrom is a UK based project management services' company specialising in manufacturing and supplying medical infrastructure equipment for operating theatres and intensive care units. Acquired in July 2014, Starkstrom is headquartered in North West London and with a manufacturing and assembly facility in Leicester.

Training

The training division comprises ILX Group, which provides a blend of on-line learning, games and simulations, traditional classroom training, practical workshops and coaching. ILX delivers training in the UK Cabinet Office's best management practice products, primarily in PRINCE2, MSP and ITIL.

Consulting

The consulting division comprises Obrar in the UK and Progility Consulting in Australia. Obrar is a consulting and project management services company, focused on multimedia contact centres, corporate technology infrastructure and associated operational change, with extensive experience in delivering contact centre outsourcing on a global basis. Progility Consulting is an organisational improvement and project management services company, specialising in information technology, service and supply chain improvement and overall project and programme management.

Recruitment

The recruitment division comprises TFPL and Sue Hill Recruitment. TFPL is a recruitment, training and consulting business specialising in the knowledge, information and data management industries, which was acquired in July 2013. TFPL provides executive search, managed services and the placement of permanent, interim and contract personnel into the public and private sectors. Sue Hill Recruitment, which was founded in 1997, is a specialist employment agency to the UK information, market research, insight and analysis sectors and was acquired in November 2013.

Progility Finco is a wholly owned subsidiary of Progility which was incorporated as a special purpose vehicle in order to issue loan notes which would be admitted to the Official List of the Channel Islands Securities Exchange Authority to help meet the financing requirements of the Group.