

MOLINS PLC

ISIN GB0005991111

APPENDIX

FURTHER INFORMATION ON MOLINS PLC IN CONNECTION WITH ITS PROPOSED ADMISSION TO TRADING ON AIM ("ADMISSION")

This Appendix has been prepared in accordance with the Supplement to Schedule One of the AIM Rules published by the London Stock Exchange. It includes, *inter alia*, all information that would otherwise have had to be included by Molins PLC (the "**Company**" or "**Issuer**") in an Admission Document and which is not found in the current public disclosure record, or in current public disclosure filed by the Directors and senior officers of the Company, or as filed at Companies House (collectively, the "**Public Record**"). The Public Record can be accessed freely on the Company's website at www.molins.com.

AIM

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the official list of the United Kingdom Listing Authority.

A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser.

Each AIM company is required pursuant to the AIM Rules for Companies to have a nominated adviser. The nominated adviser is required to make a declaration to the London Stock Exchange on admission in the form set out in Schedule Two to the AIM Rules for Nominated Advisers.

The London Stock Exchange has not itself examined or approved the contents of this document.

Responsibility

The Directors of the Company, whose names appear on the Company's website at www.molins.com/about-us/board, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors having taken all reasonable care to ensure that such is the case such information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Nominated Adviser and Broker

Panmure Gordon (UK) Limited ("**Panmure Gordon**"), which is regulated by the Financial Conduct Authority, is acting as nominated adviser and broker to the Company and will not be responsible to any person other than the Company for providing the protections afforded to its customers or for advising any other person on the contents of this document or any transaction or arrangement referred to herein. Panmure Gordon has not authorised the contents of any part of this document for the purposes of the AIM Rules. The responsibilities of Panmure Gordon as the Company's nominated adviser under the AIM Rules are owed solely to the London Stock Exchange.

1. **RISK FACTORS**

In addition to the risk factors relating to the Company set out in the Company's annual report and accounts for the year ended 31 December 2013, the following specific risk factors relating to the ordinary shares of 25 pence each in the capital of the Company (the “**Ordinary Shares**”) should be considered carefully in evaluating whether to make an investment in the Company. An investment in the Company is only suitable for investors who are capable of evaluating the risks and merits of such investment and who have sufficient resources to bear any loss which might result from such investment. If you are in any doubt as to the action you should take, you should consult a professional adviser authorised under the Financial Services and Markets Act 2000 who specialises in advising on the acquisition of shares and other securities. This summary of risk factors is not intended to be exhaustive.

1.1 **Investment in AIM securities**

Investment in companies whose shares are traded on AIM may be perceived to involve a higher degree of risk and be less liquid than an investment in companies whose shares are listed on the Official List. AIM is a market designed primarily for emerging or smaller companies. An investment in the Ordinary Shares may be difficult to realise. Existing and prospective investors should be aware that the value of an investment in the Company may go down as well as up and that the market price of the Ordinary Shares may not reflect the underlying value of the Company. Investors may realise less than their investment. Further, a quotation on AIM will afford shareholders a lower level of regulatory protection than that afforded to shareholders in a company with its shares listed on the premium segment of the Official List.

1.2 **Share price volatility and liquidity**

The share price of quoted companies can be highly volatile and shareholdings illiquid. The price at which the Ordinary Shares are quoted and the price which investors may realise for their Ordinary Shares will be influenced by a large number of factors, some of which are specific to the Company and its operations and some of which may affect quoted companies generally. These factors could include the performance of the Company, large purchases or sales of Ordinary Shares, legislative changes and general economic, political or regulatory conditions.

1.3 **Additional capital requirements and dilution**

The Company may require additional capital in the future for expansion, future acquisitions and/or business development. If the Company does not generate sufficient cash through its operations, it may need to raise additional capital from equity or debt sources. If additional funds are raised through the issuance of new shares or equity-linked securities of the Company, other than on a pro rata basis to existing shareholders, the percentage of Ordinary Shares held by the existing shareholders in the Company may be reduced. Shareholders may experience subsequent dilution and/or such securities may have preferred rights which are senior to those attached to the Ordinary Shares. Further, there can be no guarantee that further capital raisings will be successful.

2.

DIRECTOR INFORMATION

Name of Director	Age	Names of all companies and partnerships of which the director has been a director or partner at any time in the previous five years, indicating whether or not the director is still a director or partner
David John Cowen	50	<p>Current Arista Laboratories Europe Limited Arista Laboratories Inc. Cerulean Inc. Cerulean Instruments Sdn. Bhd. Cerulean GmbH Cerulean Shanghai Company Ltd Hartsvale Limited ITCM North America Inc. Langenpac B.V. Langen Packaging Inc. Molins Corporate Services Limited Molins Far East pte.Ltd Molins ITCM Limited Molins Machine Company Inc. Molins Machine Company Limited Molins Machinery Limited Molins Overseas Holdings Limited Molins Packaging Machinery Limited Molins Public Limited Company Molins Richmond Inc. Molins Tobacco Machinery Limited Molins s.r.o. Molmac Engineering Limited Sasib Corporation of America Inc. Thrissell Limited 1456074 Ontario Inc. 928142 Ontario Limited</p> <p>Former None in the last five years.</p>
John Lewis Davies	65	<p>Current Helphire Group plc KeeResources Ltd Lloyds UDT Rentals Limited Molins Public Limited Company Vehicle Remarketing Association Limited Warlies Park Farm Limited</p> <p>Former Bowmaker Credit Limited Chartercredit Limited I M Finance Limited Lloyds UDT Assurance Limited Lloyds UDT Business Leasing Limited Lloyds UDT Contracts Limited Precision Leasing Limited UDT Finance Limited</p>

Name of Director	Age	Names of all companies and partnerships of which the director has been a director or partner at any time in the previous five years, indicating whether or not the director is still a director or partner
Richard Clive Hunter	51	<p>Current Arista Laboratories Inc. Molins Machine Company Inc. Molins Public Limited Company Molins Richmond Inc. Sasib Corporation of America Inc.</p> <p>Former None</p>

Name of Director	Age	Names of all companies and partnerships of which the director has been a director or partner at any time in the previous five years, indicating whether or not the director is still a director or partner
Philip James Moorhouse	61	<p>Current Molins Public Limited Company Newcastle Strategic Solutions Limited Newton Facilities Management Limited Transflex Vehicle Rental Limited</p> <p>Former A 1 Self Drive (Warrington) Limited Acorn Self Drive Limited Adrian Truck Hire Limited Anchor Vehicle Hire Limited Autorentals (Cleveland) Limited Beeston Van Hire Limited Bellamour Car, Van & Truck Rental Limited Betsafe Limited British Overseas Stores Limited British Vehicle Rental and Leasing Association Limited Caledonian Self Drive Limited Cartrux Vehicle Hire Limited Cymru Vehicle Hire Limited Daman Vehicle Rental Limited Don Valley Self Drive Limited Fleet Technique Limited Foley Self Drive Limited Foley Vehicle Rentals Limited Goode Durrant & Murray Limited Goode Durrant Administration Limited GPS Body Repairs Limited GWR Vehicle Hire Limited Hampsons (Self Drive Hire) Limited Imperial Self Drive Limited John Nixon (Vehicle Hire) Limited Lancashire Vehicle Rental Limited Lathom Van Hire Limited Lothian Self Drive Limited LVR Rental Limited Maincrest Vehicle Hire Limited Mercia Vehicle Hire Limited Mobility Car & Van Hire Limited NLS Legal & Insolvency Limited Noble Vehicle Hire Limited Norfleet Limited Northgate (AVR) Dealership Rentals Limited Northgate (AVR) Limited Northgate Central Reservations Limited Northgate plc Northgate Vehicle Hire (East Anglia) Limited Northgate Vehicle Hire (East Midlands) Limited Northgate Vehicle Hire (Home Counties) Limited Northgate Vehicle Hire (NI) Limited Northgate Vehicle Hire (North East) Limited</p>

Name of Director	Age	Names of all companies and partnerships of which the director has been a director or partner at any time in the previous five years, indicating whether or not the director is still a director or partner
		Northgate Vehicle Hire (North West) Limited Northgate Vehicle Hire (Scot & NI) Limited Northgate Vehicle Hire (South East) Limited Northgate Vehicle Hire (South) Limited Northgate Vehicle Hire (SW & W) Limited Northgate Vehicle Hire (West Midlands) Limited Northgate Vehicle Hire Limited Northgate Vehicle Hire Yorkshire & Humber) Limited Northgate Vehicle Rental Limited Northgate Vehicle Sales Limited Northgate Vehicle Sales Limited Northgate Vehicle Solutions Limited NTR Vehicle Rental Limited Orbital Self Drive Limited Orchard Self Drive Limited Provident Enterprises Limited Renew North East Sigma Self Drive Limited Signal Vehicle Hire Limited Solent Self Drive Limited Strathclyde Self Drive Limited Target Vehicle Hire Limited Transline Vehicle Hire Limited Trident Vehicle Hire Limited Trukvan Rental Limited UK Vehicle Rental Limited United Kingdom Guarantee Corporation Limited Vickers (Northern) Limited Vocas Limited Weaverton Limited Willdrive Limited Willhire Group Limited Willhire Services Limited Willhire Vehicle Rentals Limited
Avril Palmer-Baunack	50	Current Molins Public Limited Company Helphire Group plc Quartix Holdings Limited Former Alexon Group plc Autologic Holdings Limited Stobart Group Limited

- 2.1 Avril Palmer-Baunack resigned as a director of Alexon Group plc on 27 September 2011 and the company went into administration on 29 September 2011.
- 2.2 Please note that, save as disclosed in paragraph 2.1 above, none of the directors have:
- 2.2.1 any unspent convictions in relation to indictable offences;
 - 2.2.2 been bankrupt or made individual voluntary arrangements;

- 2.2.3 been a director of a company subject to receivership, compulsory liquidation, creditors' voluntary liquidations, administrations, company voluntary arrangement or any composition or arrangement with its creditors generally or any class of its creditors of any company where such director was a director at the time of or within the twelve months preceding such events;
- 2.2.4 been a partner of a partnership subject to compulsory liquidation, administration, or partnership voluntary arrangement where such director was a partner at the time of or within the twelve months preceding such events;
- 2.2.5 been subject to receiverships of any asset of such director or of a partnership of which the director was a partner at the time of or within the twelve months preceding such events; or
- 2.2.6 been subject to any public criticisms by statutory or regulatory authorities (including recognised professional bodies), nor have any been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company.

3. **BOARD PRACTICES**

3.1 **Service agreements and letters of appointment**

A summary of the terms of the service agreements of Richard Hunter and David Cowen are set out at page 27 of the Company's annual report and accounts for the year ended 31 December 2013 (the "**2013 Accounts**") at: ar2013.molins.com.

3.2 **Letter of appointment with Mrs Palmer-Baunack**

Mrs Palmer-Baunack was appointed as a non-executive director on 25 October 2010 and the terms of her appointment are set out in a letter dated 21 October 2010. The terms provide:

- 3.2.1 a commencement date of 25 October 2010;
- 3.2.2 no fixed term or notice period and the appointment may be terminated in accordance with the Company's articles of association (the "**Articles**") or the Companies Act 2006 (the "**Act**"); and
- 3.2.3 a fee of £75,000 gross per annum, subject to annual review.

3.3 **Letter of appointment with Mr Davies**

Mr Davies was appointed as a non-executive director on 27 January 2011 and the terms of his appointment are set out in a letter dated 25 January 2011. The terms provide:

- 3.3.1 a commencement date of 27 January 2011;
- 3.3.2 no fixed term or notice period and the appointment may be terminated in accordance with the Articles or the Act; and
- 3.3.3 a fee of £50,000 gross per annum, subject to annual review.

3.4 **Letter of appointment with Mr Moorhouse**

Mr Moorhouse was appointed as a non-executive director on 1 March 2011 and the terms of his appointment are set out in a letter dated 18 February 2011. The terms provide:

- 3.4.1 a commencement date of 1 March 2011;
- 3.4.2 no fixed term or notice period and the appointment may be terminated in accordance with the Articles or the Act; and
- 3.4.3 a fee of £50,000 gross per annum, subject to annual review.

4. **EMPLOYEES**

The number of employees as at 31 March 2014 was 797.

5. **MAJOR SHAREHOLDERS**

- 5.1 A list of those shareholders who, directly or indirectly, are interested in three per cent. or more of the issued ordinary share capital of the Company is set out at www.molins.com/investor-relations/other-information/major-shareholders.
- 5.2 As at the date of this document, no major shareholder has any different voting rights to the other holders of ordinary shares in the capital of the Company.

6. **ARTICLES OF ASSOCIATION**

A copy of the Articles may be accessed at: www.molins.com/investor-relations/other-information/articles-of-association.

7. **MATERIAL CONTRACTS**

In addition to those contracts which are disclosed in the Public Record, the Company and its subsidiary undertakings (the "**Group**") have entered into the following material contracts in the two years preceding this Appendix:

7.1 **Financial Adviser Engagement Letter**

On 11 December 2013, the Company entered into an engagement letter with Panmure Gordon (UK) Limited ("**Panmure Gordon**") under which Panmure Gordon agreed to act as financial adviser and corporate broker to the Company.

7.2 **Nominated Adviser & Broker Agreement**

On 20 May 2014, the Company entered into an agreement with Panmure Gordon, pursuant to which the Company appointed Panmure Gordon to act as nominated adviser and broker to the Company from the date of Admission.

8. **DIVIDEND POLICY**

Details of dividends declared by the Company are disclosed in the Public Record. The declaration and payment by the Company of any dividends in the future and the amount thereof will depend on the results of the Group's operations, its financial position, cash requirements, prospects, profits available for distribution and other factors deemed to be relevant at the time.

9. **TAXATION**

The Company is not required to withhold tax when paying a dividend. Liability to tax on dividends will depend upon the individual circumstances of a Shareholder.

An individual Shareholder who is resident for tax purposes in the United Kingdom and who receives a dividend from the Company will generally be entitled to a tax credit equal to one-ninth of the amount of the dividend received, which is equivalent to 10 per cent. of the aggregate of the dividend received and the tax credit (the "**gross**

dividend”), and will be subject to income tax on the gross dividend. An individual United Kingdom resident Shareholder who is subject to income tax at a rate or rates not exceeding the basic rate will be liable to tax on the gross dividend at the rate of 10 per cent., so that the tax credit will satisfy the income tax liability of such a Shareholder in full. A Shareholder who is subject to income tax at the higher rate will be liable to income tax on the gross dividend at the rate (currently) of 32.5 per cent. to the extent that such sum, when treated as the top slice of that Shareholder’s income, falls above the threshold for higher rate income tax. After taking into account the 10 per cent. tax credit, a higher rate taxpayer will therefore be liable to further income tax of 22.5 per cent. of the gross dividend, which is equal to 25 per cent. of the net dividend. A Shareholder who is subject to income tax at the additional rate will be liable to income tax on the gross dividend at the rate (currently) of 37.5 per cent. to the extent that such sum, when treated as the top slice of that Shareholder’s income, falls above the threshold for the additional rate income tax (currently £150,000). After taking account of the 10 per cent. tax credit, an additional rate taxpayer will therefore be liable to further income tax of 27.5 per cent. of the gross dividend, which is equal to 30.6 per cent. of the net dividend. Where the tax credit exceeds the Shareholder’s tax liability the Shareholder cannot claim repayment of the tax credit from HMRC.

A United Kingdom resident corporate Shareholder will not generally (subject to anti-avoidance rules) have to pay corporation tax on dividends received from the Company if these fall within certain exemptions. These exemptions are broadly drafted and the general effect is to exempt all dividends from corporation tax unless they fall within certain anti-avoidance rules. Dividends paid on the Ordinary Shares to United Kingdom resident corporate Shareholders would generally fall within one or more of the classes of dividend qualifying for exemption from corporation tax.

Other United Kingdom resident Shareholders who are not liable to United Kingdom tax on dividends, including pension funds and charities, are not entitled to claim repayment of the tax credit.

Shareholders who are resident outside the United Kingdom for tax purposes will not generally be able to claim repayment from HMRC of any part of the tax credit attaching to dividends received from the Company, although this will depend on the existence and terms of any double taxation convention between the United Kingdom and the country in which such Shareholder is resident. A Shareholder resident outside the United Kingdom may also be subject to foreign taxation on dividend income under local law. Shareholders who are not resident for tax purposes in the United Kingdom should obtain their own tax advice concerning their tax position on dividends received from the Company.

10. **LEGAL AND ARBITRATION PROCEEDINGS**

Neither the Company nor any member of its Group is or has been engaged in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) during the period of 12 months preceding the date of this document which may have, or have had in the recent past significant effects on the Company’s and/or its Group’s financial position or profitability.