



1 December 2016

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION AS STIPULATED UNDER THE MARKET ABUSE REGULATIONS (EU) NO. 596/2014 ("MAR")

Arria NLG plc
("Arria NLG" or the "Company")

Timetable and Progress to New Zealand and Australia IPO

Arria NLG (AIM: NLG.L), on behalf of itself and its subsidiaries (the "Arria Group"), is pleased to announce its timetable and progress toward the Arria Group's IPO and associated listings on the **New Zealand Stock Exchange Main Board ("NZX")** and Australian Stock Exchange Main Board ("ASX").

Expected NZX Listing Date

Further to the Company's announcement on 31 October 2016, the Board advises that the Arria Group now expects to IPO and move its primary listing to NZX with a secondary listing on ASX (together the "Listings") in March 2017.

Scheme of Arrangement

To enable the primary listing on NZX, the Company has organized a New Zealand company, **Arria NLG Limited ("Arria NZ")** to become the successor holding company and wholly owning parent of the Arria Group. Subject to shareholder approval, this transition will be achieved through a scheme of arrangement under the UK Companies Act 2006 (the "Scheme").

On completion of the Scheme, Arria Group shareholders will hold a like number of Arria NZ shares (which will be traded on NZX and ASX) rather than their Arria NLG plc shares, which are currently traded on AIM.

In conjunction with the Scheme and ahead of or concurrently with the IPO and Listings, the Company will apply to AIM to cancel trading in the Company's ordinary shares and warrants. As regards the previously advised relisting on the London market, the Company has determined that a listing on the Main Market of the London Stock Exchange will be sought at a future time rather than concurrently.

As the Scheme requires approval of both the London High Court and the shareholders, in December 2016 or January 2017 the Company will send shareholders a circular containing full details of the Scheme, resolutions with voting materials and the recommendation of the Company's board for shareholder approval.

Details of the IPO on NZX

The key terms of the IPO offer are:

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| Date: | March 2017 |
| IPO size: | NZ\$25 million* plus overallotments |
| IPO securities: | An offer bundle (the “Offer Bundle”) issued by Arria NZ consisting of: - one new ordinary share in Arria NZ (“Ordinary Share”); plus - two offer options (“Offer Options”) Each Offer Option will be exercisable into one Ordinary Share until 15 June 2021 at an exercise price of NZ \$1.00. |
| Offer Bundle pricing: | NZD\$1.00 |

*Currently NZ\$25 million is approximately £14 million at an exchange rate of NZ \$1.00 = £0.57

As an update to the previously announced underwriting plan, the Company is intending to raise pre IPO funding, details of which are set out below.

Details of IPO Pre-subscriptions

In advance of the Listings, the Company will offer a private placement of up to NZ\$25 million of IPO pre-subscriptions from qualified investors in jurisdictions outside the UK. The Company has appointed Rainmaker Securities, LLC (“Rainmaker”) to assist in a US private offering to accredited investors. Rainmaker is a Chicago based registered broker-dealer that specialises in sourcing capital for growth issuers, particularly in the technology sector. The US private offering will open this week.

The key terms of the IPO pre-subscription offer are:

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| Minimum investment: | New Zealand Dollar equivalent of US\$500,000 |
| Securities offered: | New Zealand Dollar denominated unsecured loan notes of Arria NLG. All interest (five percent (5%) per annum) will accrue and be applied towards Offer Bundles on conclusion of the IPO (the “Notes”) |
| Conversion: | On completion of the Scheme and IPO, the Notes and accrued interest will be acquired by Arria NZ in exchange for Offer Bundles |
| Offer Bundle price: | NZ\$1.00 per Offer Bundle |

Additionally, if at any time up until maturity of the Notes on 30 June 2017, the Board of Arria NLG should form the view (as a result of changes in global markets or for any other reason) that the capital appreciation prospects for shareholders of Arria NLG are better served by retaining the trading of Arria NLG's ordinary shares on AIM or if for any other reason the Scheme is not completed by 30 June 2017, Arria NLG undertakes to issue offer bundles of Arria NLG securities, having terms similar to the Offer Bundles, in exchange for the Notes. In this case the Company would not cancel trading in its ordinary shares and warrants on AIM.

Capital recap

Over the last four years Arria NLG has invested c. £45 million to establish its global capabilities including paths to market, trial marketing, strategic partnering and beta-testing of the Company's NLG technologies. During this phase Arria NLG has gained invaluable market intelligence and applied it to product development. Over the past 18 months in particular, projects and partnerships have been undertaken across the USA, Europe and Asia Pacific with companies including:

IBM, Genpact, Charles Schwab, Cognizant, Comcast, Con Edison, Deloitte, Deutsche Bank, Farmlink, HSBC, Macquarie, McKinsey & Company, MeteoGroup, Microsoft, P&G, Pepsi, Results.com, Royal Bank of Canada, Rolls Royce, Sabre, Sanofi and Samsung.

This experience has culminated in the Company's three-pronged, multi-vertical approach to the market. The Company now licenses its NLG technologies via three distinct service offerings, all of which support the recurring revenue model central to the Company's commercial strategy:

1. **Professional Services** - the development and licencing of large custom applications for enterprise-level clients;
2. **Recount** - a subscription-based Software-as-a Service accounting product; and
3. **The NLG Developer Cloud** - the provision of tools that enable the 18-million-strong global third-party developer community to build NLG applications using our technology.

The Purpose of the IPO

The purpose of the IPO is to raise new capital so that the Arria Group can pursue growth opportunities, further develop its SaaS products (including launching those products in more geographical territories); develop its NLG Developer Cloud products; extend the Arria brand internationally; and fund the working capital requirements of the Arria Group.

Arria NLG's objective is to be well capitalised and positioned to build and standardize a software technology that enables data to be transformed into narrative by machines—becoming the standard toolset for NLG applications development worldwide.

Sharon Daniels, Arria Chairperson and Interim CEO said, "We believe that the Arria Group is igniting a global revolution in communication, and that the NLG tools and systems we are bringing to the world will fundamentally change the way people interact with technology. The group's capital plans will further strengthen Arria's position in this fast-growing market."

For further information, please visit www.aria.com or contact:

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Arria NLG

Arria NLG's core product is known as the Arria NLG Platform, a form of artificial intelligence software, specialised in extracting information from complex data sources and communicating that information in natural language (i.e. as if written by a human). The scientific foundation for the Arria NLG Platform is based on more than 30 years of research and development by the Arria Data2Text Founders at the University of Aberdeen. For additional information, visit www.aria.com. Follow Arria NLG on [Twitter](#), [LinkedIn](#), [Google+](#) and [YouTube](#).

