

Redcentric plc
(“Redcentric” or the “Company”)

First Day of Dealings and Admission to Trading on AIM

Redcentric plc (AIM: RCN), a leading mid-market Network-Based Managed Services ICT business, announces the commencement, at 08.00 UK time this morning, of dealings in its Ordinary Shares on AIM, a market operated by the London Stock Exchange plc.

Highlights:

- Redcentric comprises the demerged Managed Services businesses of the Redstone Group.
- The total number of Ordinary Shares in issue at Admission is 62,368,247. finnCap Limited acts as Nominated Adviser and Broker to the Company. Redcentric’s trading symbol is RCN and the Company’s ISIN code is GB00B7TW1V39.

The Directors believe the key strengths of the Redcentric Group are:

- the quality and breadth of its Network-Based Managed Services;
- its client base;
- the proprietary network assets that underpin its service offering creating a genuine end-to end client service proposition;
- an enhanced onshore and offshore 24 hour/365 day support function to underpin service level agreements;
- recurring annuity revenues expected to be in excess of 65 per cent. of total revenues in the year to 31 March 2014;
- a targeted EBITDA margin of 20 per cent. per annum before central costs;
- it is well positioned to benefit from opportunities for further organic and acquisitive growth due to the fragmented nature of the sector; and
- its strong cash generation, which will support a progressive dividend policy in due course.

As one of the largest mid-market independent Managed Services providers the Redcentric Group is well placed to benefit from sector consolidation and the Board is committed to maximising value for Shareholders.

Richard Ramsay, Chairman of Redcentric commented,

“The Admission of Redcentric to AIM is the final step in the demerger of the Managed Services businesses from the Redstone Group. The Board is excited about the prospects of Redcentric as an independent business; early signs are that the positive momentum following the Maxima acquisition in generating new business is continuing. I would like to thank our shareholders and employees for their support during a complicated and lengthy process that has been successfully concluded and look forward to updating the market on our progress as an independent plc.”

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About Redcentric

Redcentric was incorporated on 11 February 2013. The business of the Redcentric Group is made up of the demerged Managed Services components of the Redstone Group, as enhanced by the acquisition of Maxima in November 2012. The acquisition of Maxima augmented the network assets owned by Redstone, including its connectivity, Cloud and hosting capabilities with a well regarded mid-market business specialising in ICT managed services, managed security, unified communications and Cloud services. Further, the acquisition provides the Redcentric Group with an enhanced onshore and offshore 24 hour/365 day support function to underpin its service level agreements. The combined businesses enjoy a scale that has enhanced their presence in the marketplace and provided an enlarged customer base to cross-sell a broad suite of well regarded and supported services.

Business Overview

Redcentric offers a wide range of Network-Based Managed Services solutions summarised below including:

- Managed Security Services
- Connectivity Solutions
- Unified Communications Solutions
- Hosted Applications / Cloud Services
- Physical and Virtual Data Centre Services
- ICT Project and Hardware Maintenance Services

These services are supported 24 hours a day 365 days a year. The Directors believe that the strength of the Company's support function is a key differentiating feature that makes its services more attractive than many of its smaller competitors, while the innovative nature of its solutions offers flexibility to meet clients' needs in a way that larger rivals are sometimes unable to match.

Capitalised terms used in this announcement but not defined have the meanings given to them in the Admission Document published by Redcentric, which is available on the Company's website www.redcentricplc.com.