

18 May 2018

**Papillon Holdings Plc ('Papillon' or 'the Company')**  
**Heads of Terms**

Papillon Holdings plc, the London listed investment company, is pleased to announce that it has signed a non-binding Heads of Terms to make an investment for 50% of the issued share capital of a fintech company focused on the used car market, CarCloud Limited ('CarCloud' or 'the Target') ('the Investment').

The Company has terminated its discussions with Phestor Limited, Greenway Activated Carbon Limited and Phestor Denmark as terms could not be agreed that were satisfactory to the Company. However, the Company retains a significant equity interest in these companies and remains a significant creditor of them and their principal James Thorpe. Additionally, the Company is a significant creditor of its prior acquisition target, MyClubBetting.

CarCloud has developed innovative technology that bridges the gap between private and retail vehicle sales and delivers consistently high values for the user. It has an aggressive growth strategy, utilising its unique technology to expand its offering to an, as yet, underexploited area of the private car sale market; currently +200,000 private cars are sold and brought every month in the UK.

Papillon CEO Charles Tatnall said, "CarCloud will operate in the vibrant UK private car sales market and is an exciting opportunity; its unique technology has the potential to be a game-changer in the sector. Naturally, we are disappointed that the previous deal not come to fruition and would like to apologise to our shareholders; our focus is now on rapidly expediting this acquisition and lifting the trading suspension."

The Investment is subject, inter alia, to the completion of due diligence, documentation and compliance with all regulatory requirements. If it proceeds, the Investment, together with the acquiring of the other interests made by the Company, will constitute a fundamental change in the business of the issuer and therefore a full information memorandum will be published in due course contemporaneously to the anticipated return to trading of the shares.

**\*\*ENDS\*\***

For further information visit [www.papillonholdingsplc.com](http://www.papillonholdingsplc.com) or contact the following:

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This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 (MAR).