

**Pinnacle Technology Group plc**  
(the "Company" or "Pinnacle")

**Result of Open Offer**

On 22 January 2016 Pinnacle Technology Group plc, the AIM listed provider of converged technology solutions, announced that it had conditionally raised £4.55 million (before expenses) through the issue of 108,392,857 new Ordinary Shares by way of a placing and up to a further £0.25 million through the issue of up to 5,918,256 new Ordinary Shares by way of an open offer to qualifying shareholders on the basis of 1 Open Offer Share for every 10 Existing Ordinary Shares, at the Placing Price ("Open Offer").

The Company is pleased to announce the result of the Open Offer which closed for acceptances at 11.00 a.m. on 9 February 2016. Valid acceptances including excess applications have been received in respect of 20,413,207 Open Offer Shares, representing a total of approximately 345 per cent. of those Open Offer Shares available under the Open Offer and as such the Open Offer has been oversubscribed. Excess applications represent 86 per cent. of total acceptances received.

Certain existing shareholders who are participating in the Placing (including certain of the directors and applicable employees, MXC Capital, Livingbridge and Hargreave Hale) had irrevocably undertaken not to take up their entitlements under the Open Offer to provide those shareholders not participating in the Placing an opportunity to invest at the Placing Price. The acceptances were received by 40% of those Qualifying Holders who were able to take up their entitlements.

All valid applications in respect of basic entitlements under the Open Offer have been met in full and a scaling back exercise undertaken in line with the Excess Application Facility in respect of applications for Excess Shares. The Company has therefore raised gross proceeds of £0.25 million through the Open Offer and approximately £4.55 million in total.

The Placing and Open Offer remain conditional on, inter alia, the passing of the Resolutions at the General Meeting to be held at 10.00 a.m. on 10 February 2016 at the offices of DAC Beachcroft LLP, 100 Fetter Lane, London EC4A 1BN.

This announcement should be read in conjunction with the full text of the circular dated 22 January 2016, published in connection with the Placing and Open Offer and defined terms used in this announcement shall have the same meaning as those terms defined and used in such circular.

Gavin Lyons, Executive Chairman, commented:

"We are pleased with the support shown by our shareholders through the Open Offer. These additional funds will provide further working capital to support Pinnacle to become the leading provider of 'IT as a service' to the UK SME market."

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*The total consideration under the Open Offer shall be less than €5,000,000 (or an equivalent amount) in aggregate. Therefore, in accordance with section 85 and Schedule 11A of the Financial Services and Markets Act 2000, a prospectus is not required to be produced in connection with the Open Offer for the purposes of the Prospectus Rules published by the Financial Conduct Authority.*

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