

COMPANY ANNOUNCEMENT

The following is a company announcement issued by GlobalCapital p.l.c. (the "Company") pursuant to Chapter 5 of the Listing Rules of the Malta Financial Services Authority

Quote

The Company makes reference to its half-yearly report for the period ended 30 June 2017, published on 30 August 2017, in which the Company announced the Board's intention to conduct a rights issue in respect of an amount of shares not exceeding €15,000,000 in nominal value before the end of 2017.

During the last quarter of 2017 the Company continued the process of redefining its business strategy in the context of its plans to strengthen its position in the local insurance market and to passport its insurance products in other EU jurisdictions, while at the same time preparing itself for the implementation of the Insurance Distribution Directive in the course of 2018.

The redefinition of the Company's business strategy, which is expected to be finalised in the first half of 2018, is likely to affect the Company's optimum capital levels. As a result, the Board has decided that it is in the best interests of the Company and its shareholders as a whole to postpone the proposed rights issue until such time as the capital plans underpinning its renewed business strategy have been adequately defined in the light of the evolving business and regulatory environment. The Board, therefore, expects that the Company will be conducting the proposed rights issue during the course of 2018 to raise such amount of capital as may be determined to be appropriate by the Board, subject to the approval of the Listing Authority.

Unquote

By order of the Board

28 December 2017