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## **PuriCore Announces Successful Completion of IPO**

### *PuriCore Raises £30 Million in Placing*

PuriCore plc ("PuriCore" or the "Company"), the developer of a novel, safe, pathogen killing technology that mimics the human body's natural anti-microbial, hypochlorous acid, today announces the successful completion of its flotation on the London Stock Exchange. The flotation raised a total of £30 million from the Placing of new Ordinary Shares with institutional and other investors at a price of 66p per share.

The Company is expected to have a market capitalisation of approximately £100 million on Admission and its shares are expected to commence trading on Friday, 30 June 2006. Nomura Code Securities Limited acted as sponsor, financial adviser, joint underwriter, joint bookrunner and joint lead manager for the Placing. Nomura International acted as joint bookrunner, joint underwriter and joint lead manager.

### **Details of the Placing**

- The Placing comprised a total of 45,454,546 new Ordinary Shares. No existing Ordinary Shares were sold in the Placing.
- The Company raised gross proceeds of £30 million (net proceeds of £26.4 million) from the Placing which will be used to increase financial flexibility to self fund the rental model, facilitate growth in new and existing markets, invest in research and development opportunities for new geographic, customer and product markets, strengthen the Company's balance sheet and for general working capital purposes.
- The Enlarged Issued Share Capital at Admission will be approximately 151.84 million Ordinary Shares.
- The Directors, who in aggregate own 1,334,165 Ordinary Shares, representing 0.879 per cent of the Enlarged Issued Share Capital, Senior Management and all employees are subject to a twelve month lock-up period in respect of their Ordinary Shares after which for a further twelve months the Directors and Senior Management can sell only through Nomura Code Securities.
- Certain Shareholders holding approximately 58.6 per cent of the Enlarged Issued Share Capital have agreed not to dispose of Ordinary Shares during the period of six months following Admission. Furthermore, thereafter, certain Shareholders holding approximately 46.1 per cent of the Enlarged Issued Share Capital have agreed for a further six months to sell only through Nomura Code Securities.
- Admission to the Official List of the Financial Services Authority and commencement of trading on the London Stock Exchange's main market is expected to take place at 08:00 on Friday, 30 June 2006 under the ticker symbol "PURI". The Company is expected to be listed in the Healthcare sector.

Commenting on the flotation, Greg Bosch, Chief Executive Officer of PuriCore, said: *"We are delighted to have successfully completed our IPO and welcome new investors to the Company. Infectious disease is one of the greatest threats to mankind. PuriCore's*

*technology is safe, environmentally friendly, has broad spectrum effectiveness against bacterial, viral, and fungal pathogens and is significantly more effective than bleach and glutaraldehyde, two of the leading global disinfectants.*

*"We have already achieved commercial traction with our core businesses which demonstrated strong volume growth in 2005. With the funds raised in the IPO, we will continue to expand our business with the ultimate goal of establishing PuriCore as a leading global disinfection and sterilisation company across multiple markets and applications."*

## **Background to PuriCore**

PuriCore is a life sciences company focused on the development and commercialisation of its proprietary technology that mimics the production by the human immune system of its natural antimicrobial (hypochlorous acid) which protects the body from infection. Hypochlorous acid is highly effective at killing pathogens such as bacteria, viruses and fungal spores, yet is safe and environmentally friendly. Consequently, PuriCore's solutions have applications in a wide range of markets where it is important to control microbial contamination. These markets include medical disinfection, food safety, dental equipment, hospitality, water safety, wound management and diverse roles in restricting the spread of infectious disease, including major global disease threats such as Tuberculosis, MRSA, E.coli, norovirus, HIV, polio virus, Helicobacter pylori and Legionella. This increasing global risk of infectious pathogens is widely recognised.

PuriCore markets a portfolio of branded systems which produce a hypochlorous acid solution from water, electricity and common salt. The systems generate hypochlorous acid solutions at a range of concentrations and at a nearly neutral pH range similar to the human body. These solutions are non-toxic, non-hazardous and yet effective at killing a wide range of pathogens. They are effective as soaks, sprays, mists and in other forms. Many competing anti-microbial products are known to be damaging to human health, including chemicals such as glutaraldehyde, which has had its use restricted in a number of countries including the UK.

PuriCore's technology received Frost & Sullivan's Innovation Award in late 2005, which stated that the Company has "laid the foundation to being among the most successful companies in the area of disinfection and sterilisation". Additionally, Frost & Sullivan stated that it is certain that PuriCore's solution "is likely to emerge to be the disinfectant of choice in the future."

PuriCore's proprietary systems incorporate electrolysing cells, software and process controls which enable the production of its highly effective solutions from salt and water to required specifications on a reliable and consistent basis. The Company places its systems with its customers either on a rental agreement basis or as a capital sale, enabling the customer to produce PuriCore's solution on-site and on-demand.

To date the Company has concentrated its resources on three core business units, focused on the following markets:

- disinfection of heat sensitive medical instruments, specifically endoscopes. The Directors believe that there will be a global addressable market of up to \$1.0 billion by 2009. To date, the Company has focused primarily in the UK in this business unit;
- food safety, in particular for the removal of pathogens and extension of shelf life in fresh produce and floral in supermarkets. The Directors believe that there will be an addressable market in the US Food Safety market of up to \$350 million by 2009. To date, the Company has focused exclusively in US in this business unit; and
- dentistry, in particular the removal of microbial contaminants and biofilm from dental water lines. The Directors believe that there will be a global addressable market of up

- to \$200 million by 2009. To date, the Company has focused predominantly in the UK and US in this business unit.

PuriCore's revenues for the year ended 31 December 2005 were US\$12.8 million, representing the placement of 950 Systems, an increase of approximately 60 per cent on the prior year's placements. As of 31 March 2006, PuriCore had an installed base of 2,113 Systems placed with customers around the world. For the year ended 31 December 2005, the Company incurred losses of US\$12.4 million, a decrease from the prior year loss of US\$14.6 million.

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**Enquiries:**

**www.puricore.com**

**PuriCore plc** +1 484 321 2701  
 Greg Bosch, Chief Executive Officer  
 Keith Goldan, Chief Financial Officer

**Nomura Code Securities** +44 (0)20 7776 1200  
 Chris Collins  
 Phil Walker

**Financial Dynamics** +44 (0)20 7831 3113  
 David Yates  
 Sarah MacLeod  
 John Gilbert

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