

RNS Number : 0178C  
Dukemount Capital PLC  
16 June 2021

**Dukemount Capital Plc**  
**16 June 2021**

**Dukemount Capital Plc**  
**("Dukemount" or the "Company")**

**Environmental Energy Project**

Dukemount Capital Plc, the property management and long dated income specialist is pleased to announce that it has secured funding with regard to the Joint Venture Agreement with flexibility power expert HSKB Ltd ("**HSKB**"), which it announced on 22 March 2021.

This funding is a £6.5m facility ("**Facility**") to be provided by Global Corporate Finance Opportunities 14, in which Alpha Blue Ocean ("**ABO**") acted as arranger by way of convertible loan notes ("**Notes**") convertible at 95% of the lowest daily VWAP in the 10 trading days prior to conversion, plus warrants issued on a 1:4 basis with each tranche at an exercise price of 120% of the lowest daily VWAP in the 10 trading days prior to the issuance of the Notes to which they are attached (other than with respect to the first tranche of Notes, where the exercise price is the lower of (a) GBP 0.00604 and (b) 120% of the lowest Daily VWAP over the ten trading days prior to the issuance of the first tranche of Notes) ("**Warrants**"). The facility continues for 24 months and is unsecured and interest free. A 3% commitment fee is payable in two stages as the Facility is drawn down.

This funding provides Dukemount with a £6.5m facility, of which it expects a draw down of £3m will be lent to fund the HSKB Joint Venture ("**Joint Venture**") over the next six months, beginning with a tranche of £1.2m. The remaining £3.5m will be drawn down, if required by Dukemount, to fund future projects in the fast-growing UK flexible 11kv power sector, where HSKB can deliver a strong pipeline of deals.

It is anticipated that the lenders to the Joint Venture will regard Dukemount's first £3m funding as equity and proceed to fund up to 60% of the build cost.

Draw down of the Facility is conditional upon approval by shareholders of the agreement for the Facility including the conversion terms and warrant terms at a general meeting to take place within the next 30 days. A notice of general meeting will be issued shortly.

Draw down is also conditional upon issue of a prospectus for the admission to trading of the shares to be issued on any conversion of the Notes and exercise of the Warrants. The Company will file and seek approval from the FCA of the prospectus as soon as possible and in any event within the next 120 days.

HSKB has been in discussion with a commercial lender to fund the remaining £3.5m of the total £6.5m estimated build costs for the Joint Venture and now that Dukemount's funding contribution to the Joint Venture has been agreed, Dukemount expects HSKB to be able to confirm the terms of the additional £3.5m with such lender in the near future.

As well as being significant in magnitude, as compared to the market capitalisation of the Company, the innovative and favourable nature of the funding which Dukemount has secured is both a reflection of the institutional interest in the flexible power sector, as well as being the result of the Company's knowledge of long-dated income funding and finance.

Through this funding, Dukemount has achieved a disproportionately beneficial leverage to the Joint Venture, while protecting the equity position of shareholders in an optimal manner.

With its contribution to funding the HSKB Joint Venture now agreed, Dukemount expects this to be the first completed milestone on its previously stated goal of creating a company which has up to £100m in project value over the foreseeable future.

Whilst relatively new to the UK, ABO is well established outside UK. The fact that ABO agreed to support the Company is a measure of the Company's potential as well as the potential of the Joint Venture. Dukemount is also pleased to have obtained this Facility without diluting its interest in the Joint Venture.

Geoffrey Dart commented:

"With Dukemount's contribution to the HSKB Joint Venture agreed on attractive terms, a key part of the transformation of Dukemount has now been secured. Dukemount can now take its place in the flexible power sector as a significant player, with the prospect and capability of adding further projects, and hence further long dated income for shareholders."

Pierre Vannineuse, CEO of ABO, commented:

"ABO is proud to have been selected as a financing partner to facilitate the transformation of Dukemount in the flexibility power sector. This financing facility will provide Dukemount with the necessary flexibility to help increase value for its shareholders by having the capital necessary to fund future projects."

### **Market Abuse Regulation (MAR) disclosure**

Certain statements in this announcement contain inside information for the purpose of Article 7 of EU Regulation 596/2014.

#### About Alpha Blue Ocean

Created in 2017 by Pierre Vannineuse, Hugo Pingray and Amaury Mamou-Mani, Alpha Blue Ocean is a young and dynamic family office with the mission of revolutionizing the financial industry by offering innovative and tailored risk-adjusted investments.

Alpha Blue Ocean operates through a direct, rational, and efficient approach in providing alternative financing solutions through PIPE (Private Investments in Public Equities) deals. ABO has signed more than 70 deals with commitments totalling more than €1bn over more than 3 years with companies listed in North America, Europe and Asia.

*For further information, please visit [www.dukemountcapitalplc.com](http://www.dukemountcapitalplc.com) or contact:*

**Media Enquiries**

Zak Mir: +44 (0)7867 527 659

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact [rns@lseg.com](mailto:rns@lseg.com) or visit [www.rns.com](http://www.rns.com).

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).