

19 November 2018

Tristel plc
(“Tristel” or the “Company”)

**Acquisition of European Distributors
Board Appointment**

Tristel plc (AIM: TSTL), the manufacturer of infection prevention products, announces the acquisition of Ecomed Services N.V. (Belgium), Ecomed Nederland B.V. (Netherlands) and Ecomed France SARL (France), together the “Ecomed Group”, and the appointment of the Ecomed’s CEO, Bart Leemans, to the Tristel Board as an Executive Director.

Ecomed Group

The Ecomed Group is Tristel’s exclusive distributor in Belgium, the Netherlands, Luxembourg (“Benelux”) and France. The Ecomed Group has achieved strong growth in recent years and is both cash generative and profitable. Its sole office and warehousing facility is in Antwerp, Belgium. The beneficial owners of the Ecomed Group companies are Bart and Jan Leemans (“the Vendors”).

The Ecomed Group’s sales during the twelve-month period ending 30 June 2018 were €3.07m of which €2.54m were of Tristel products. In the six months ended 30 June 2018 the Ecomed Group achieved EBITDA of €0.57m (unaudited) on revenues of €1.66m. At 30 June 2018, the Ecomed Group had net assets of €1.3m.

Highlights:

- The Company expects the acquired business to contribute incremental earnings in its current financial year of at least £250,000 after transaction and integration costs, and in subsequent years to be materially earnings enhancing;
- The Ecomed Group’s highly experienced management and sales team led by Bart and his brother Jan Leemans are to remain with Tristel. Bart Leemans joins the Tristel plc Board as an Executive Director;
- Bart and Jan Leemans are restricted from disposing of the Consideration Shares for a period of twelve months;
- The acquisition expands Tristel’s footprint of wholly-owned operations across continental Europe. Tristel now operates from subsidiaries in Belgium, Netherlands, France, Germany, Poland and Switzerland and has a 20% stake in Tristel Italia Srl. The Company’s salesforce increases to 18 across continental Europe and eight within the United Kingdom;

- Ecomed Belgium occupies a 14,000 sq ft office, warehousing and logistics hub in Antwerp which will be very beneficial to Tristel's European operations post Brexit;
- The Consideration Shares are expected to be admitted to trading on the AIM Market of the London Stock Exchange on 22 November 2018.

Terms of the Acquisition

The consideration of €5.0m is to be paid upon completion, of which €3.4m is payable in cash and €1.6m from the issue of 573,860 ordinary shares (the "Consideration Shares"). The Consideration Shares will be issued at 242.7 pence per share, the average price during the thirty-day period to 15 November 2018.

Additional deferred consideration of up to €1.8m may be paid before July 2019 based upon final audited EBITDA for the calendar year 2018 exceeding €0.84m, and sales growth of at least 15% for the year ending 30 June 2019 being achieved. The deferred consideration will be paid in a combination of cash and ordinary shares with the allocation between cash and ordinary shares to be decided by the Vendors. If ordinary shares are issued to satisfy all or part of the deferred consideration they will be issued at 242.7 pence per share.

Board appointment

Bart Leemans founded the Ecomed Group in 2005 and has been CEO since that date. The Ecomed Group became Tristel's distributor in Belgium in 2005; Ecomed Netherlands was incorporated in 2013 and Ecomed France in 2016. Before establishing the Ecomed Group, Bart Leemans had founded various e-commerce business, including Eccent NV which he successfully exited via a trade sale. He commenced his career with IBM Global Services.

Bart Leemans is the beneficial owner of 280,000 ordinary shares in Tristel plc.

Commenting on the acquisition and appointment, Paul Swinney, CEO Tristel, said: "We are very pleased to announce the purchase from Bart and Jan Leemans of their businesses in Benelux and France, and to welcome them and their highly experienced team into the Tristel group. This is an important strategic advance for our Company. France, in particular, is a very undeveloped market for Tristel. Sales of our products in the country are only a fraction of those that we achieve in Germany, a market of comparable size. With a direct presence and an expanded sales team we are targeting rapid growth in France and will continue to increase our market share in Belgium and the Netherlands".

Total Voting Rights

Application will be made for the 573,860 ordinary shares of 1 penny each ("Ordinary Shares") to be admitted to trading on AIM and dealings are expected to commence on 22 November 2018.

The new Ordinary Shares will rank *pari passu* with the existing shares of the Company. Following the issue of Consideration Shares, the Company's issued share capital consists of 44,303,908 Ordinary Shares. Accordingly, the figure of 44,303,908 may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in the Company under the FCA's Disclosure Guidance and Transparency Rules.

The information communicated in this announcement is inside information for the purposes of Article 7 of Regulation 596/2014

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Regulatory disclosure - The following information is disclosed in accordance with Rule 17 and paragraph (g) of Schedule 2 of the AIM Rules for Companies.

Bart Victor Margaretha Leemans, 55, has the current and previous directorships:

Current Directorships/Partnerships:

Arda Immo NV

Vicella BVBA

Ecomed Services NV

Ecomed France SARL

Ecomed Nederland B.V.

Directorship held in last 5 years:

None

Save for the disclosures above, there are no further disclosures to be made in accordance with Rule 17 and Schedule 2(g) of the AIM Rules.