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20 May 2019

AB Dynamics plc
(“AB Dynamics”, the “Company” or the “Group”)

**Result of Placing
and
Posting of Circular**

AB Dynamics plc is pleased to announce the successful completion of the accelerated book build announced earlier today by the Company (the “Placing”).

The Placing has conditionally raised gross proceeds of approximately £45.1 million (before expenses) through the placing of 2,050,000 new ordinary shares of 1 penny each in the Company ("Placing Shares") at 2200 pence per share (the “Issue Price”).

The Placing Shares represent approximately 10.42 per cent. of the Company's existing issued ordinary share capital.

Cantor Fitzgerald Europe acted as Sole Bookrunner in connection with the Placing.

The Placing Shares are not subject to clawback and are not part of the Open Offer. Neither the Placing nor the Open Offer is underwritten.

James Routh, CEO of AB Dynamics, said:

“This is an important milestone in the Company’s corporate development. The proceeds of the Placing will enable us to make strategic investments in the Company, leveraging our existing strengths and capabilities. As the active safety market grows and develops, AB Dynamics is well positioned to capitalise on the significant opportunities available.

“We are delighted with the result and strong support shown from both existing shareholders and new institutional investors. I believe today’s announcement reflects the confidence they share in the

growth prospects of the business and the outstanding team. While our products and services are already highly regarded by a range of blue chip clients, this fundraising is a transformative step forward to achieving our ambition to become a world-leading specialist in automotive test systems.”

Related party transaction

Castlefield Fund Partners Limited is a substantial shareholder of the Company (the “Substantial Shareholder”) and therefore classified as a related party under the AIM Rules. The Substantial Shareholder has participated in the Placing in respect of 182,000 Placing Shares at the Issue Price and its participation in the Placing is considered a related party transaction under the AIM Rules.

The Directors, having consulted with the Company’s nominated adviser, Cairn Financial Advisers LLP, consider that the terms of the Substantial Shareholder’s participation in the Placing and/or Open Offer is fair and reasonable insofar as the Company’s Shareholders are concerned.

Posting of Circular

The Company is pleased to announce that it will today post a Circular to Qualifying Shareholders regarding an Open Offer to raise up to approximately £5 million (before expenses) and setting out further details of the Placing. The Circular will also be made available on the Company’s website later today at www.abdynamics.com.

The Circular also contains a Notice of General Meeting, which is being convened for 10.00 a.m. on 6 June 2019, as the issue of the Placing Shares and the Open Offer Shares are conditional, inter alia, on shareholder approval.

Admission

Application will also be made to London Stock Exchange plc for the Placing Shares and the Open Offer Shares to be admitted to trading on AIM (“Admission”). It is expected that Admission will become effective and that dealings in the Placing Shares and the Open Offer Shares will commence at 8.00 a.m. on 7 June 2019 (being the business day following the General Meeting).

Other than where defined, capitalised terms used in this announcement have the meanings given to them in the announcement released by the Company on 20 May 2019.

Enquiries:

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The person responsible for arranging the release of this information is Dr James Routh, CEO of the Company.

Overview of AB Dynamics plc

AB Dynamics is a leading designer, manufacturer and provider of advanced products for testing of Advanced Driver Assistance Systems (“ADAS”) technology, autonomous vehicle development and vehicle dynamics to the global automotive research and development sector.

The Group is headquartered in Bradford-on-Avon, UK, employing approximately 187 staff. AB Dynamics currently supplies all the top automotive manufacturers, Tier 1 suppliers and service providers, who routinely use the Group’s products to test vehicle safety and dynamics.