

2 December 2016

Directa Plus plc
(“Directa Plus” or the “Company”)

Update on potential customer impairment

Further to the statement on 18 October 2016, Directa Plus (AIM: DCTA), a producer and supplier of graphene-based products for use in consumer and industrial markets, announces that it has formally resolved matters with the customer whose regional governmental grant was rescinded and was therefore unable to complete the outstanding payments due to the Company.

Following the negotiations, below are the key terms of the agreement between the two parties:

- The customer intends to keep one Mobile Decontamination Unit (“MDU”) as they still recognise the market opportunity for the Company’s Grafysorber® product.
- Directa Plus will receive a further payment of €80,000 for the MDU being kept by the customer. The Company will take possession of the two remaining MDUs, which will then be available to be re-sold.

The net negative impairment impact on the profit and loss account for the current financial year will be approximately €700,000. This impairment to the accounts will be treated as a non-cash item and has no ongoing impact on Directa Plus’ core business of the sale of graphene materials.

Giulio Cesareo, Chief Executive Officer of Directa Plus, said: “We are pleased to have resolved this matter. The customer remains positive about the opportunities for our Grafysorber® product and the return of two MDUs means the Company is in a position to immediately satisfy potential interest in the MDUs from other parties. There continues to be strong interest in this product from the Middle East, Europe and US, and we continue to view the environmental sector and our solution as a strong growth opportunity for the Company.”

This announcement contains inside information as defined in Article 7 of the Market Abuse Regulation No. 596/2014 and is disclosed in accordance with the Company's obligations under Article 17 of those Regulations.

Enquiries

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