AIM Advisers, Inc.
Maximizing Present & Future Value

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About AIM Advisers
AIM Advisers helps small and medium-sized, growth-oriented U.S. companies complete IPOs on the Alternative Investment Market (AIM) of the London Stock Exchange. AIM Advisers also provides a range of services to the 56 U.S.-based companies that are already listed on AIM.

IPO Activity – 2012

Highlights

- IPO activity holds steady - 45 during 2012 and 2011
    - Companies completing IPOs since 2010 require less capital and are stronger

- £695 million ($1.1 billion) raised for IPOs in 2012 (£2.5 billion for secondaries)

- IPO market remains selective, therefore, prospective issuers should carefully consider:
    - Suitability before embarking on the process
    - Key advisers, most notably Nominated Advisers and Brokers

- Average IPO raised £15 million ($24 million)
    - At a cost of £1.7 million ($2.7 million) or 11% of the gross funds raised
- 64% of IPOs raised between £3 million and £30 million ($5 million and $48 million)

- Average opening market capitalization of £45 million ($72 million)
- 73% of opening market caps between £10 and £150 million ($16 and $240 million)

- IPO dilution of existing shareholders amounted to 26%
- Average post-IPO free float of 49%

- Average and median share price return of 15% and 12% since IPO (median date 7/5/12)
    - FTSE AIM All-Share Index only rose 1% during 2012 and 2% from 7/5 - 12/31/12

- 23 of the 45 companies generated revenues > £1 million (range £2 million - £124 million)
    - Median trailing pre-money revenue multiple of 1.96
    - Those w/o significant revenues broadly in the natural resources space or financials

- 17 of the 45 companies earned profits > £1 million (range £1 million - £23 million)
    - Median trailing pre-money P/E ratio and EBITDA multiple of 12.66 and 8.02

- Industry dispersion and insight into the 45 companies - see pages 5 - 8 for details
- Geographic dispersion and related commentary - see page 9 for details

	Number of IPOs	Gross Funds Raised (in £ millions)	Average Funds Raised (in £ millions)
2010	46	1,017	22
2011	45	560	12
2012	45	695	15
Total	**136**	**2,272**	**17**

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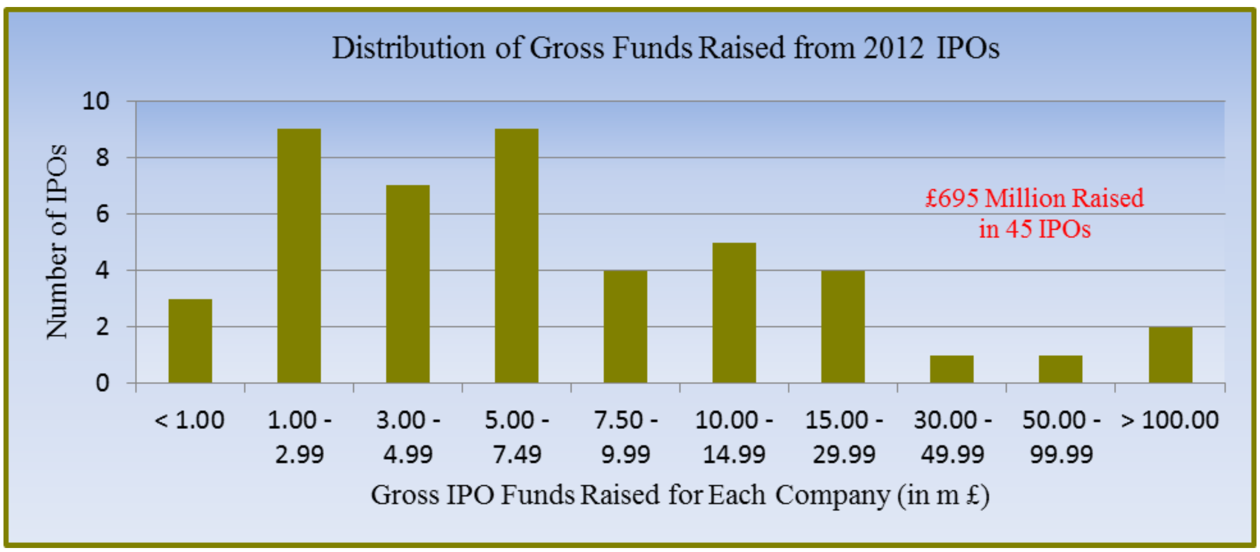
The table on the previous page shows that IPO activity on AIM has held steady over the last three years. Generally speaking, compared to 2010, the companies that completed IPOs during 2011 and 2012 were stronger and simply required less growth capital.

Despite the relatively weak macroeconomic situation, the Secondary Offering market on AIM has been strong with £2.5 billion ($4.0 billion) raised during 2012 as a result of attractive valuations for companies that are 'known quantities'. The health of the Secondary Offering market is a positive sign for IPOs over the medium to longer term as investors remain confident in the market.

The types of companies that completed IPOs during 2012 generally fell into three categories; those with significant revenues and significant profits, or very close to profitability, Investing Companies seeking to acquire or invest in companies/assets and natural resource plays at a very nascent stage. Investing Companies are typically backed by 'known figures' with a history of achieving returns. The oil and gas and mining companies all had owned or identifiable assets, solid geological studies and exceptional management teams with track records of success.

The chart below provides the distribution of gross funds raised from AIM IPOs during 2012. The sweet spot for AIM IPOs is between £3 million ($5 million) and £30 million ($48 million).



Of the aggregate gross funds raised, 93% was for the companies and 7% was for selling shareholders, which were present in five of the IPOs, although, only four sold a meaningful stake. While the average amount of gross capital raised was £15 million ($24 million), the median was only £6 million ($10 million).

The equation in the chart at the top of the next page can be used to predict the cost of an AIM IPO with 90% confidence. The 27 data points represent the gross funds raised and associated costs for the non-Investing Company IPOs that raised at least £3 million ($5 million). Since the average non-Investing Company that raised at least £3 million ($5 million) raised £16 million ($26 million), the expected cost would be £1.76 million ($2.82 million) or 11% of the gross funds raised.

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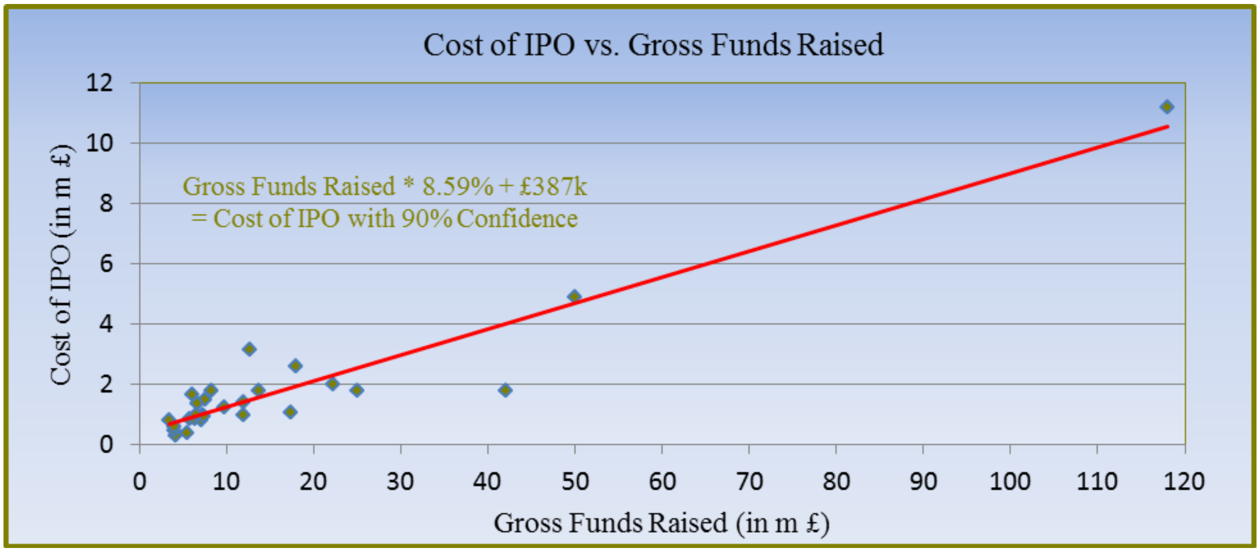
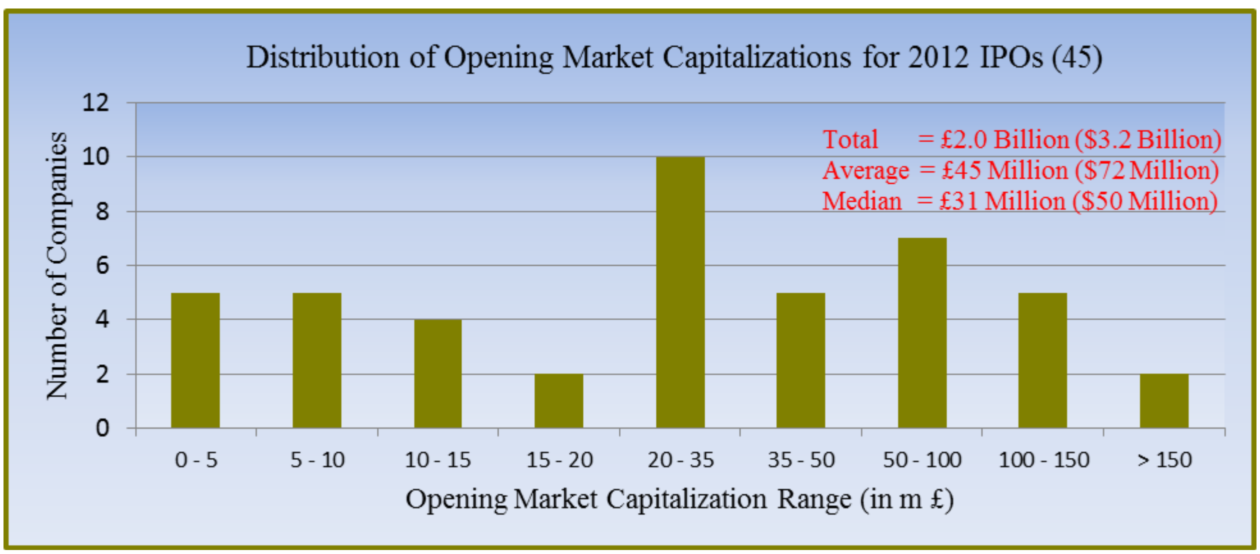


The average and median offering costs for all 45 AIM IPOs amounted to 22% and 15%, respectively, of the gross funds raised, however, the average, in particular, is skewed by a number of relatively small IPOs where the fixed costs dominate.

The chart below provides the distribution of opening market capitalizations. The average company's opening market capitalization was £45 million ($72 million) whereas the median was £31 million ($50 million). 73% of the companies commanded opening market capitalizations that ranged from £10 million to £150 million ($16 million to $240 million).



The aggregate opening market capitalization of the 45 companies that completed IPOs on AIM during 2012 was £2.0 billion ($3.2 billion). The average and median post-IPO free float of these companies was 49% and 43%, respectively.

The chart on the next page highlights an interesting shift in the market with respect to the IPO dilution of existing shareholders. There are two main reasons for this shift; one regulatory and

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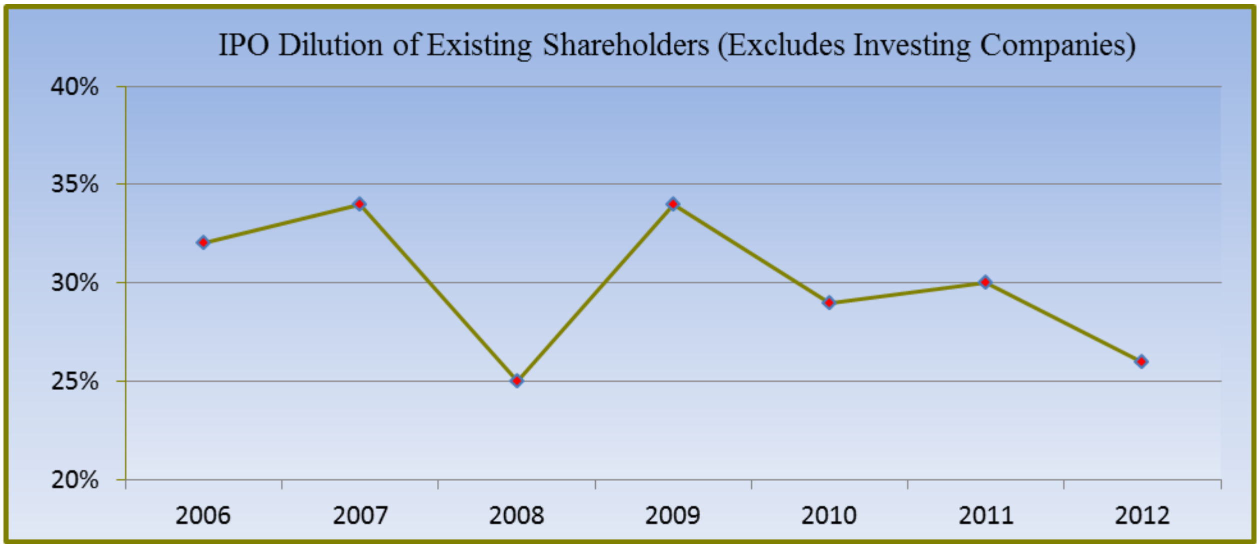
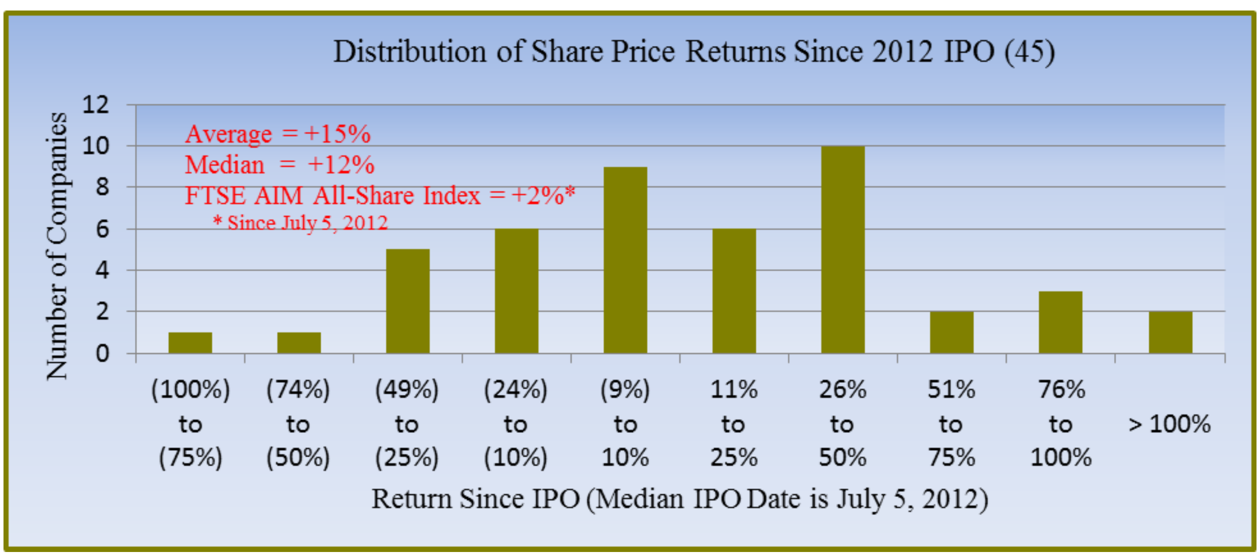
the other macroeconomic. The regulatory reason is the LSE's codification of the AIM Rules for Nominated Advisers in 2007, which increased the scrutiny of prospective new entrants by Nomads since the Nomad vouches to the LSE as to a company's suitability for admission to AIM. The macroeconomic reason is the global financial crisis, which has caused investors to become more risk adverse. Consequently, the strength of the companies completing IPOs on AIM has increased and, as a result, the IPO dilution of existing shareholders has decreased. The 30% - 35% dilution level appears to have seen a step-change downward to the 25% - 30% range. For the entire market, the average and median dilution of existing shareholders was 33% and 21%, respectively, whereas when Investing Companies are excluded, it was 26% and 19%.



The final chart in this section provides the distribution of share price returns since each of the 45 companies completed their AIM IPOs through December 31, 2012. It should be noted that the median IPO date is July 5, 2012, therefore, the average and median returns of +15% and +12%, respectively, only represent, on average, the last 180 days of 2012. As a point-of-reference, the FTSE AIM All-Share Index only rose 1% during 2012 and 2% from July 5, 2012 through December 31, 2012; therefore, the relative performance of the 45 IPOs has been quite strong.



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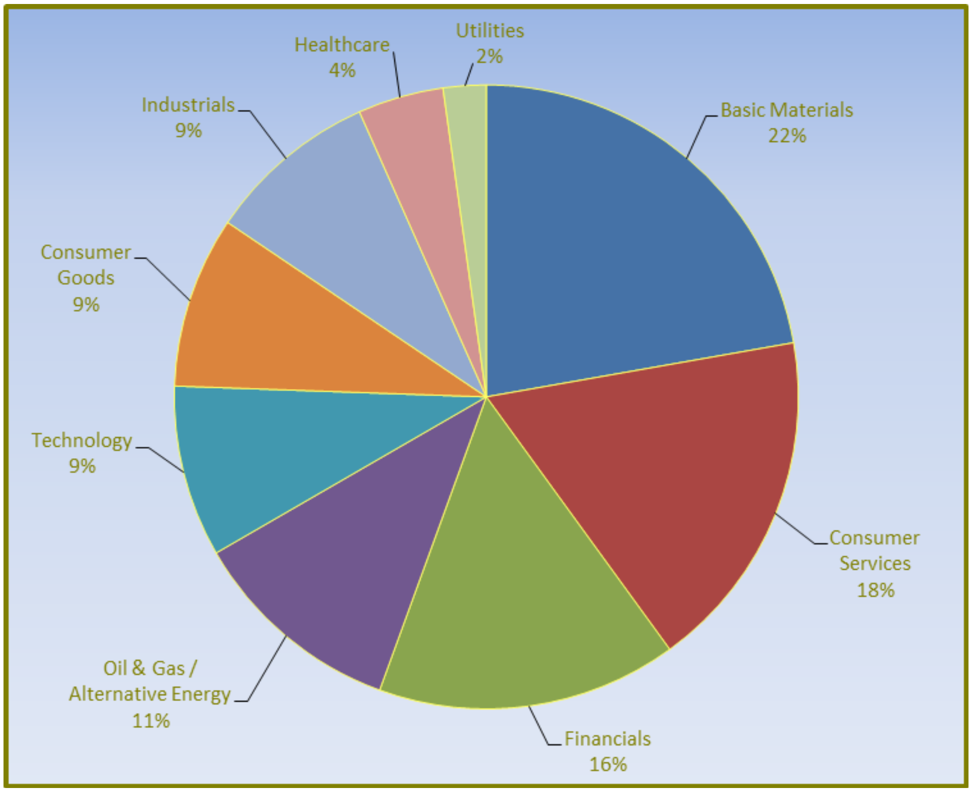
Industry Dispersion and Revenue and Profitability Profile

AIM-listed companies are organized into 90 sub sectors, which feed into 40 sectors, which feed into 10 super sectors. The only super sector that was not represented with an IPO during 2012 was Telecommunications. The chart below illustrates the nine super sectors in which IPOs occurred during 2012. Since the classifications can be deceptive, the table below the chart provides some insight into the individual companies.



Basic Materials (10)	Mining Exploration and Production (8); gold (1), gold and copper (1), iron ore and gold (1), copper (1), iron ore and tin (1), marble (1), tungsten and rare earth elements (1) and coal (1) Mining Services (1), a vertically integrated mining services group that separates, refines and sells rare earth elements with a smelting and separation plant, a rare earth elements' sales and distribution company and the ability to provide technical support and equipment to third-party rare earth elements' mining companies and factories Specialty Chemicals (1), a technology company that designs, develops and formulates novel polymers to improve the performance of existing consumer products within the fast-moving-consumer-goods markets
Consumer Services (8)	One produces and commercializes children's CGI animation television series' and brand's based on sports and sport's stars, one provides portable accommodation, using steel shipping containers as the form-factor, and does not require mains service, such as power, water and

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	waste drainage, for short-term events (motor racing, horse racing, golf, tennis, sailing, music festivals, country shows and cultural events) and longer-term uses (military deployments and civilian construction projects), one is a Feng Shui consultancy to corporations and individuals with company-owned and franchised retail outlets, one provides studio and related services to the global film and television industries, one owns and operates clubs that provide learning activities (academic, artistic and physical) for children, one is a global specialty pharmaceuticals and pharmaceutical services business that provides supplies for clinical trials and niche drugs to pharmacist or physician for their patients, one is a football (soccer) club and one operates a network of franchise stores that sell fertilizers and agricultural related products
Financials (7)	One intends to invest in or acquire multi-level marketing companies, one is a residential housing rental franchisor, one intends to make equity or debt investments in companies where the owner(s) require liquidity and/or obtain limited partnership interests in private equity funds that are being repositioned, in both cases at discounts to intrinsic value, one intends to invest in mining and oil and gas assets, one intends to acquire a company, business, group of businesses or asset(s) in the natural resources or consumer goods sector, one intends to build a portfolio of investments in small and mid-cap natural resource companies acquired from large natural resource and commodity funds that can be rationalized and proactively managed and one intends to invest in a publicly quoted company which it considers to be undervalued as a result of operational deficiencies that can be rectified by active involvement
Oil & Gas / Alternative Energy (5)	Oil & Gas Exploration and Production (3), one is focused on onshore and offshore oil and gas, one is focused on oil sands and one is focused on identifying and acquiring interests in oil and gas assets and then developing those assets so as to bring them into production Renewable Energy Equipment (1), an environmental technology company specializing in the development and application of green energy and energy efficient water heating solutions, primarily through the manufacture and sale of solar-powered water heating systems Oil & Gas Equipment and Services (1), a provider of specialist reach and recovery products and technologies (used in non-vertical drilling for oil and gas to optimize production efficiency) to the international upstream (exploration and production) oil and gas services market
Technology (4)	One is a provider of collaboration software to the software development industry, allowing globally distributed software engineering teams to simultaneously access the same programs, improving productivity and preventing downtime and data loss, one is a provider of software solutions and services to the automotive dealership industry with dealer management, business intelligence and customer and vehicle

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	relationship management products, one operates online exchanges where businesses can buy, sell and pay for business services such as marketing, advertising and technology and one is a provider of enterprise software for routine business functions and business intelligence applications designed to improve insight to support better business decision-making by increasing the quality, reliability and visibility of information, essentially a Big Data play
Consumer Goods (4)	One is an online and mobile, social/casual, interactive games developer and publisher, one is a designer, manufacturer and supplier of company-branded sport's shoes and designer and supplier of company-branded clothing and accessories, one is a designer and manufacturer of electric powered scooters and one is a designer, manufacturer and distributor of branded outdoor clothing, footwear and equipment for children and teenagers
Industrials (4)	One is an independent utility cost management consultancy that has established relationships with major energy suppliers and provides services to its customers so that they can achieve better value from their energy contracts, reduce their energy consumption and reduce their carbon footprint, one is a B2B e-commerce service provider that connects international buyers with high-quality manufacturers that have been independently audited for quality standards, one designs, develops and sells electronic devices, distributes electronic components and has developed a media platform for the wireless dissemination and monitoring of content and one is a provider of logistics services to fast-moving-consumer-goods manufacturers
Healthcare (2)	One enables research into viral infections and enables pharmaceutical companies to accelerate and reduce the cost of bringing antiviral therapeutics and vaccines to market by isolating volunteers in a specialist facility for 10 - 15 days, exposing them to a characterized respiratory virus, treating them with an experimental drug candidate or simply observing them and collecting samples and recording data as to the effectiveness of the drug and the other is a clinical research organization that provides consulting and clinical trial services to pharmaceutical, biotechnology and medical device companies
Utilities (1)	This company supplies electricity and gas, develops and distributes renewable electricity and administers feed-in-tariffs

Of the 45 companies, 23 generated significant revenues (i.e. > £1 million) during their most recent financial year with the range being £2 million - £124 million ($3 million - $198 million). The average pre-money revenue multiple was 3.16 and the median was 1.96. Of the 23 companies that generated significant revenues, 17 earned significant profits (i.e. > £1 million), with the range being £1 million - £23 million ($2 million - $37 million), five recorded small losses (i.e. < £2 million) and one earned a small profit (i.e. < £1 million). The average pre-money P/E ratio and EBITDA multiple was 13.05 and 9.09, respectively, and the medians were 12.66 and 8.02.

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As previously noted, the types of companies that completed IPOs during 2012 generally fell into three categories; those with significant revenues and significant profits, or very close to profitability, Investing Companies seeking to acquire or invest in companies/assets and natural resource plays at a very nascent stage. As such, only one of the 10 basic materials companies generated significant revenues and earned significant profits (the mining services company), only one of the seven financial companies generated significant revenues and earned significant profits (the residential housing rental franchisor) and only two of the five oil and gas / alternative energy companies generated significant revenues and earned significant profits (the renewable energy equipment company and the oil equipment and services company).

Across the other super sectors, five of the eight consumer services companies generated significant revenues and four of those earned significant profits with the other one recording a small loss. Three of the four technology companies generated significant revenues and two of those earned significant profits with the other one recording a small loss. All four consumer goods companies generated significant revenues and three earned significant profits with the other one recording a small loss. All four industrial companies generated significant revenues and earned significant profits. Both healthcare companies generated significant revenues but both recorded small losses. The utilities company generated significant revenues but earned a small profit.

Two of the 45 companies were able to complete their AIM IPOs by using the ‘fast track route to AIM’ since their securities were, and still are, traded on an AIM Designated Market (ADM), the Australian Securities Exchange (ASX) in these cases, for at least the previous 18 months. So as to place this in the proper context, none of the 45 AIM IPOs during 2011 and only two of the 46 AIM IPOs during 2010 utilized the fast track route, both with the ASX as the ADM. Companies utilizing the fast track route do not have to produce the typical AIM Admission Document but rather a brief, but detailed, pre-admission announcement. The 10 ADMs are the top tier markets of the ASX, Deutsche Börse Group, Johannesburg Stock Exchange, NASDAQ, NYSE, NYSE Euronext, NASDAQ OMX Stockholm, Swiss Exchange, TMX Group and UKLA Official List.

The migration of companies to AIM from the ICAP Securities & Derivatives Exchange (ISDX, formerly the PLUS Stock Exchange and formerly OFEX) in the U.K. has slowed dramatically with only two of the 45 companies that completed IPOs on AIM during 2012 having been previously listed on ISDX, whereas nine of the 45 AIM IPOs during 2011 and four of the 46 AIM IPOs during 2010 were of companies previously listed on ISDX.

Other points of note during 2012 are one IPO of a company transferring from the LSE’s Main Market to AIM, another IPO that contained an Open Offer to the general public, which necessitated the production of a Prospectus, vetted by the UKLA, as opposed to the typical Admission Document under the guidance of the Nomad and one IPO of a company that was, and still is, traded on the TSX Venture Exchange (Toronto), which is not an AIM Designated Market.

The two U.S. companies that completed IPOs on AIM during 2012 did so via U.K. domiciled holding companies that acquired these U.S. companies with the IPO funds raised. As U.K.-domiciled companies, they must prepare their financial statements in accordance with IFRS; however, both continue to use the USD as their reporting currency.

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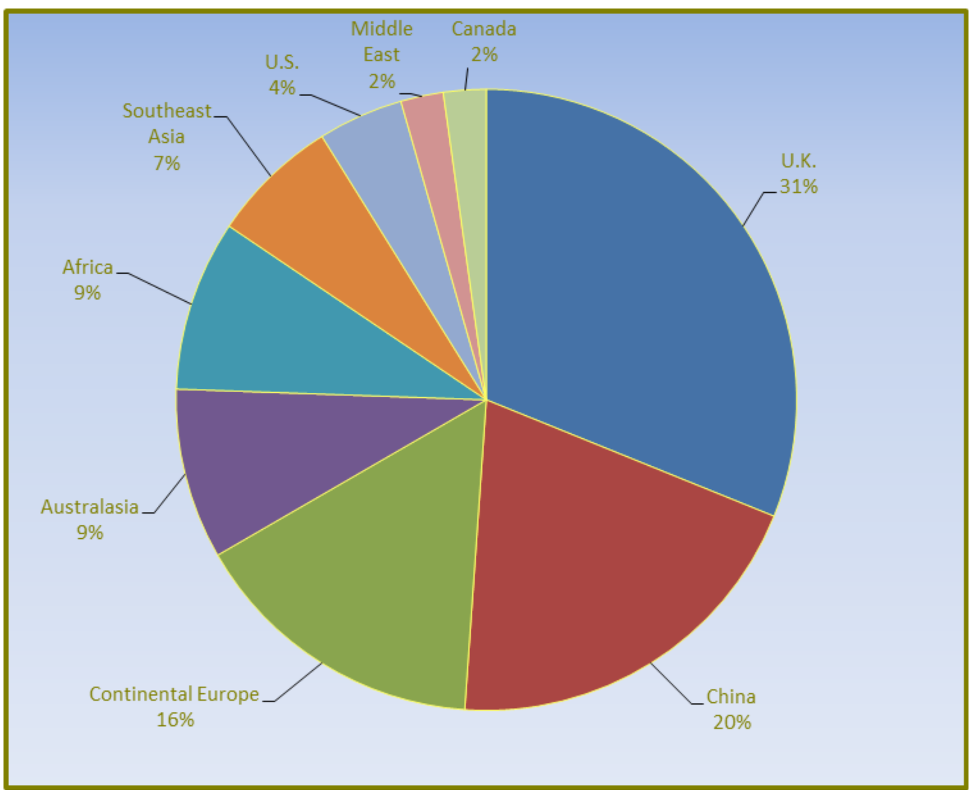
Geographic Dispersion (Main Place of Operation) and Revenue and Profitability Profile

Unsurprisingly, the U.K. is the main place of operation for more AIM-listed companies than any other country, region or continent; however, the dominance of U.K. companies on AIM has continued to shrink in recent years. While approximately 60% of the 1,100 companies listed on AIM are based in the U.K., only 31% of AIM IPOs during 2010, 2011 and 2012 were for U.K. companies. The irony here is that of the 14 U.K. companies that completed IPOs during 2012, only seven generated significant revenues and only four of those earned significant profits with two of the other three recording small losses and the other one earned a small profit, whereas the bar is set substantially higher for Chinese, Southeast Asian and U.S. companies.

The seven Continental European companies that completed IPOs followed the same pattern as the U.K. companies in that only two generated significant revenues and only one of those earned significant profits with the other one recording a small loss.

On the other hand, all nine Chinese companies that completed IPOs generated significant revenues (range £2 million - £124 million) and eight earned significant profits (range £1 million - £23 million) with the other one recording a small loss. Two of the three Southeast Asian company IPOs generated significant revenues (both £6 million) and earned significant profits (£1 million and £3 million). Both U.S. company IPOs generated significant revenues (£8 million and £11 million) and generated significant profits (£2 million and £4 million).

In terms of industry sector concentrations, the U.K. companies are clustered in consumer services, financials and technology, the Continental European companies in basic materials, the Chinese companies in consumer service, consumer goods and industrials and the other six jurisdictions are clustered in basic materials (i.e. mining), oil and gas and consumer goods.



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