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Stirling Industries plc

("Stirling" or the "Company")

Update on proposed acquisition of Ipsen International

Following the announcement of 4 September, in which Stirling (AIM: STRL.L) confirmed it is in discussions to acquire Ipsen International GmbH ("Ipsen"), (the "Transaction") the Company has been exploring a variety of solutions with potential providers of equity and private capital that would enable the Transaction to proceed.

Deteriorating capital market conditions, caused by global trade and geopolitical tensions, have continued to weigh on investor sentiment, leading many institutional investors to adopt a cautious stance, such that the Company acknowledges the transaction cannot be funded through the public markets at this time.

Consequently, the Company is continuing to consider alternative sources of funding for the Transaction. This would enable it to implement its plans for Ipsen and/or monetise the considerable due diligence undertaken on the Transaction in the interests of the Company's shareholders.

However, in the meantime, the Company is taking steps to reduce its cost base and, as it does not have the financial resources to explore further opportunities, is making preparations for the winding up of the Company with the return of any net proceeds to shareholders, providing for the eventuality that no deliverable proposals to support the acquisition of Ipsen emerge in the near future.

The shares remain suspended pending a further announcement.

Blair Illingworth, Chief Executive, said:

"Having undertaken detailed due diligence on Ipsen, we know it to be a high-quality business with significant potential to grow, driven by its world-class technology, engineering capabilities and diverse geographical revenues. We remain convinced that Ipsen has an exciting future ahead of it."

This announcement contains inside information for the purposes of the Market Abuse Regulation (EU) NO. 596/2014. Upon the publication of this announcement, this inside information is now considered to be in the public domain. The person responsible for arranging for the release of this announcement on behalf of Stirling is Simon Thomas, Chief Operating Officer and Company Secretary of Stirling.

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About Stirling

Stirling has been established to offer a differentiated management and ownership approach for industrial businesses where the strategic and operational expertise of its team combines with that of the portfolio company's management to drive and enable improvements that create long-term shareholder value.

The Company focuses on acquiring businesses with strong fundamentals and enterprise values between £100 million and £750 million. Transactions will be financed through a combination of new equity and prudent leverage, with the Company's target debt to be no more than 2.5x the Company's EBITDA.

Stirling's approach begins with the belief that many companies have the potential to achieve material operational enhancement and margin improvement. Stirling's value add is to ensure operating assets have the right strategy, the right focused leadership, empowered and incentivised management teams and the appropriate capital investment to support growth.

The Company's leadership team has significant experience of identifying the key value drivers of a given business, implementing change strategies across a diverse range of industries and delivering significant operational value creation.

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