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18 January 2023

Zaim Credit Systems plc
("Zaim" or the "Company")

**Update on operations in Russia and
Notice of General Meeting**

During the two years to June 2022, considerable progress has been made operationally by Zaim Express. A transition to online lending has made the business bigger and more profitable, new financial offerings have been developed, and plans underway to extend the model to jurisdictions beyond Russia. This meant that by the end of June 2022, Zaim Express was continuing to exhibit strong growth and had a positive cash position of about GBP 760k at the end of the period.

However, it came to our attention during September 2022 that something was amiss when the Zaim Express team in Moscow stopped communicating with the directors of the Company in London. Initial enquiries led us to suspend trading in Zaim's shares on 28 September 2022 while we undertook an investigation, drawing upon the help of international advisers. This investigation, made difficult by the current dislocation of normal links between Russia and The West, has revealed the following:-

In the Russian State Register of Legal Entities, the ownership of Zaim Express has been changed from Zaim to a Russian gentleman called Mr Sidorov. This change was not authorised by the Board of Directors of Zaim nor was it advised to the directors based outside of Russia (the "Continuing Directors") . Indeed, the Continuing Directors had no knowledge whatsoever of any aspect of it until they conducted the investigation. The Continuing Directors believe that the change in ownership was, therefore, questionable from a Russian and English law standpoint.

It would appear that the bankers to Zaim Express, assigned to a new lender their loan to Zaim Express, and so far as the Continuing Directors are aware, without providing Zaim Credit Systems plc and/or the Continuing Directors, with notice of this. The Continuing Directors believe that the new lender then sought to call either all or some of the debt due to it from Zaim Express. The Continuing Directors were not made aware of this by the Russian management team or the decision not to use Zaim Express's available funds to repay the debt but instead to default. The Continuing Directors believe that the new lender then enforced their security over the shares in Zaim Express and organised the sale of these shares to Mr Sidorov. The Company has not, as far as the Continuing Directors are aware, received notice of this sale and neither have any of the proceeds of the sale been remitted to the Company.

Throughout these past few months, we have not been able to obtain a response from any of the key employees of Zaim Express in Moscow including Vladimir Golovko who is Chief Operating Officer of the Company and a member of the Company board. From public searches we have been able to confirm that Mr Golovko remains a general director of Zaim Express following its sale to Mr Sidorov.

The Company is currently considering its legal options to obtain redress from those involved in the loss of Zaim Express. In the meantime, the Continuing Directors, plan to call a General Meeting of the Company shortly. At this general meeting the board will propose a resolution to remove Vladimir Golovko from his role as a director of Zaim Credit Systems plc. The meeting will take soundings from shareholders on the future direction of the Company.

Please note that the Company's website is under the control of the team in Moscow and therefore should no longer be relied upon, a new website is in the process of being established and will be communicated to shareholders in due course. All communications from the Company will be sent through the news wire system and be available on the website of the London Stock Exchange.

The Company is currently discussing the lifting of the suspension of the listing in the Company's ordinary shares on the Standard Segment of the Official List with the FCA. No certainty can be given over the timing of any lifting of the suspension and the Company will update the market in due course.

Malcolm Groat, Non-Executive Chairman of Zaim Credit Systems PLC, commented;

"In view of the tremendous efforts made during Covid to grow the business in Russia and begin to take the model to new countries and in view of the success achieved operationally and commercially in the past two years, it is tragic that everything that has been built and the prospects that lay ahead of the Group has been taken from us. Zaim is left severely damaged and must now plot a new course to bring back value for our investors."

For further information, please contact:

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