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Castle Street Investments plc

("Castle Street" or "the Company")

Result of General Meeting, Completion of acquisition of Selection and Placing to raise £30 million and lifting of suspension of trading in Ordinary Shares

Castle Street Investments plc (AIM: CSI), is pleased to announce that, further to the announcement of 4 January 2016, at the General Meeting held earlier today all resolutions proposed, as set out in the Notice of General Meeting circulated to shareholders, were duly passed.

Completion of Acquisition and Placing

As previously announced the Company has raised gross proceeds of £30 million by way of an oversubscribed placing of New Ordinary Shares at 30 pence each with new and existing investors, the proceeds of which will be used to fund the Acquisition of Selection Services Investments Limited, and to strengthen the Company's balance sheet in line with its future strategy of making targeted acquisitions within the IT services sector. The Acquisition has now been approved and is due to complete on Admission tomorrow.

Board Changes

The board of directors will be strengthened with the appointments of Andy Ross as Chief Executive Officer, Julian Phipps as Chief Financial Officer, Jonathan Watts as Non-Executive Chairman and Katherine Roe as independent Non-Executive Director. Niall Stirling and Max Royde will step down from the Board. These Board changes will take effect on Admission which is expected to take place at 8.00am on 21 January 2016.

Director and Significant Shareholders

As part of the Placing, certain directors participated in the Placing. On Admission, the Directors shall have the following shareholdings in the Company:

Name	Number of Ordinary Shares on Admission	% of the Enlarged Issued Share Capital
Jonathan Watts	83,333	0.05
Katherine Roe	16,666	0.01
Total	99,999	0.06

Immediately following Admission the following persons are expected to be, directly or indirectly, interested in 3 per cent. or more of the enlarged total voting rights of the Company:

Name	Number of Ordinary Shares on Admission	% of the Enlarged Issued Share Capital
MXC Capital	43,000,000	24.9
Kestrel Partners LLP	28,235,000	16.4

Bill Dobbie	14,676,053	8.5
Coltrane Asset Management	11,105,497	6.4
Richard Griffiths & controlled undertakings	9,019,378	5.2
Elevage Limited	6,666,668	3.9
Liontrust Asset Management	6,169,721	3.6
Henderson Volantis	5,552,748	3.2
Total	131,478,002	76.2

Admission and Trading

Application has been made to the London Stock Exchange for the enlarged issued share capital of 172,555,803 ordinary shares of 2.5p each in the Company to be admitted to trading on AIM. Admission is expected to take place at 8.00 a.m. on 21 January 2016, at which time the suspension, announced by the Company on 24 December 2015, will be lifted and trading in the Company's Ordinary Shares will resume.

Accordingly, following Admission, the issued share capital of the Company consists of 172,555,803 Ordinary Shares. The Company does not hold any shares in treasury. Each Ordinary Share carries the right to one vote in relation to all circumstances at general meetings of the Company.

The above figure of 172,555,803 Ordinary Shares may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the Company under the FCA's Disclosure and Transparency Rules.

Andy Ross, incoming CEO of Castle Street said:

"The acquisition of Selection will provide the platform to execute our stated buy-and-build strategy with a focus on IT solutions and Cloud services where we see significant opportunities. The combination of a strong balance sheet, the new management team we are building and MXC's proven track record will provide strong differentiation and the opportunity to deliver value for shareholders."

All capitalised terms in this announcement have the same meaning as those definitions used in the Company's Admission Document, dated 4 January 2016.

Castle Street Investments plc

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