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If you have sold or otherwise transferred all of your existing holding of Ordinary Shares in Rightster Group plc, please forward this Document and the accompanying Form of Proxy to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee, except that such documentation should not be sent into a Restricted Jurisdiction or other jurisdiction where doing so may constitute a violation of local securities laws or regulations.

This Document does not constitute a prospectus for the purpose of the Prospectus Rules of the UK Financial Conduct Authority or an admission document for the purpose of the AIM Rules. Accordingly, this Document has not been, and will not be, reviewed or approved by the Financial Conduct Authority of the United Kingdom (in its capacity as UK Listing Authority or otherwise) pursuant to sections 85 and 87 of FSMA, the London Stock Exchange or any other authority or regulatory body and has not been approved for the purposes of Section 21 of FSMA.

## **Rightster Group plc**

(incorporated and registered in England and Wales with registered number 8754680)

### **Proposed acquisition of the entire issued and to be issued share capital of Base79 Limited**

**Acquisition of the entire issued and to be issued share capital of Viral Management Limited (not already held by Rightster Limited)**

**Placing of 75 million new Ordinary Shares of 0.1 pence per share at a price of 56 pence per share and Notice of General Meeting**

## **Cenkos Securities plc**

*Nominated Adviser and Broker*

**Your attention is drawn to the Letter from the Chairman of Rightster Group plc which recommends that you vote in favour of the Resolutions to be proposed at the General Meeting referred to below.**

Cenkos Securities plc is authorised and regulated in the United Kingdom by the Financial Conduct Authority and is acting for the Company and for no-one else in connection with the matters described in this Document and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for affording advice in relation to the matters referred to herein. Cenkos Securities plc has not authorised the contents of, or any part of, this Document and no liability whatsoever is accepted by Cenkos Securities plc for the accuracy of any information or opinions contained in this Document or for the omission of any information. No representation or warranty, express or implied, is made by Cenkos Securities plc as to, and no liability whatsoever is accepted by Cenkos Securities plc in respect of, any of the contents of this Document (without limiting the statutory rights of any person to whom this document is issued).

Copies of this Document will be available free of charge from Rightster Group plc's registered office, during normal business hours.

Notice of a General Meeting of Rightster Group plc to be held at the offices of Covington & Burling LLP, 265 Strand, London, WC2R 1BH, at 10.00 a.m. on 25 July 2014 is set out at the end of this Document. Shareholders will find accompanying this Document a Form of Proxy for use at the General Meeting. The Form of Proxy should be completed and returned to the Company's registrars, Capita Registrars Limited, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, in accordance with the instructions printed on it as soon as possible and, in any event, so as to be received no later than 10.00 a.m. on 23 July 2014. Completion and return of a Form of Proxy will not preclude Shareholders from attending and voting in person at the General Meeting should they so wish.

The Placing Shares have not been and will not be registered under the US Securities Act of 1933, (as amended) (the "Securities Act") or under the applicable securities laws of any state or other jurisdiction of the United States or any other Restricted Jurisdiction. The Placing Shares may not be offered, sold, taken up, resold, transferred or delivered, directly or indirectly, within, into or in the United States, or any Restricted Jurisdiction, or to any US Person (as such term is defined in Regulation S promulgated under the Securities Act) or to any national resident or citizen of, or any corporation, partnership or other entity created or organised under the laws of any Restricted Jurisdiction, except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with the securities laws of any relevant state or other jurisdiction of the United States and any relevant Restricted Jurisdiction. The Placing Shares are being offered and sold outside the United States in offshore transactions within the meaning of, and in accordance with, Regulation S under the Securities Act or another applicable exemption therefrom. There will be no public offer of the Placing Shares in the United States.

None of the Placing Shares, the Form of Proxy, this Document or any other document connected with the Placing have been or will be approved or disapproved by the US Securities and Exchange Commission or by the securities commissions of any state or other jurisdiction of the United States or any other regulatory authority, nor have any of the foregoing authorities or any securities commission passed comment upon or endorsed the merits of the offering of the Placing Shares, the Form of Proxy or the accuracy or adequacy of this Document or any other document connected with the Placing. Any representation to the contrary is a criminal offence. Application will be made for the Placing Shares (and the Earn-out Consideration Shares if and when issued) to be admitted to trading on the AIM market of the London Stock Exchange. AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the UK Listing Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser.

This Document contains statements about Rightster Group plc that are or may be "forward-looking statements". All statements, other than statements of historical facts, included in this Document may be forward-looking statements and are subject to, inter alia, known and unknown risks, uncertainties and other factors. Without limitation, any statements preceded or followed by, or that include, the words "targets", "plans", "believes", "expects", "aims", "intends", "will", "may", "should", "anticipates", "estimates", "projects", "would", "could", "continue" or words or terms of similar substance or the negative thereof, are forward-looking statements. Forward-looking statements include statements relating to the following: managements' strategic vision, aims and objectives; the effect of competition; trends in results of operations; margins; and exchange rates. These forward-looking statements are not guarantees of future performance and have not been reviewed by the auditors of Rightster Group plc. These forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of any such person, or industry results, to be materially different from any results, performance or achievements expressed or implied by such forward-looking statements. These forward-looking statements are based on numerous assumptions regarding the present and future business strategies of such persons and the environment in which each will operate in the future. Investors should not place undue reliance on such forward-looking statements and, save as is required by law or regulation (including to meet the requirements of the AIM Rules and the Disclosure Rules), Rightster Group plc does not undertake any obligation to update publicly or revise any forward-looking statements (including to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based). All subsequent oral or written forward-looking statements attributed to Rightster Group plc or any persons acting on its behalf are expressly qualified in their entirety by the cautionary statement above. All forward-looking statements contained in this Document are based on information available to the Directors of Rightster Group plc at the date of this Document, unless some other time is specified in relation to them, and the posting or receipt of this Document shall not give rise to any implication that there has been no change in the facts set forth herein since such date.

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## INDICATIVE TIMETABLE

Announcement of the Placing, the Base79 Acquisition and the VML Acquisition and posting of the Circular and Form of Proxy	8 July 2014
Admission to trading on AIM of the 950,120 Ordinary Shares to be issued to the VML Sellers on completion of the VML Acquisition and such admission becoming effective in accordance with the AIM Rules	8.00 a.m. on 11 July 2014
Latest time and date for receipt of Forms of Proxy	10.00 a.m. on 23 July 2014
General Meeting	10.00 a.m. on 25 July 2014
Results of General Meeting and Placing announced through RNS	25 July 2014
First Placing Shares to be held in uncertificated form credited to CREST stock accounts	25 July 2014
Despatch of definitive share certificates for First Placing Shares to be held in certificated form	Within 14 days after issue of First Placing Shares
Admission becomes effective and commencement of dealings in Placing Shares on AIM	8.00 a.m. on 28 July 2014
Second Placing Shares to be held in uncertificated form credited to CREST stock accounts	28 July 2014
Despatch of definitive share certificates for Second Placing Shares to be held in certificated form	Within 14 days after Admission
Completion of the Base79 Acquisition	On or about 7 August 2014

### Notes:

- (1) References to times in this Document are to London time (unless otherwise stated).
- (2) The dates and timing of the events in the above timetable and in the rest of this Document are indicative only and may be subject to change.
- (3) If any of the above times or dates should change, the revised times and/or dates will be notified by an announcement through an RNS.

## PLACING STATISTICS

Market price per Existing Ordinary Share <sup>(1)</sup>	56.5 pence
Number of Existing Ordinary Shares in issue <sup>(2)</sup>	116,924,678
Issue Price of each Placing Share	56 pence
Discount to Existing Ordinary Shares <sup>(3)</sup>	0.9 per cent.
Number of First Placing Shares to be offered by the Company	5,764,000
Number of Second Placing Shares to be offered by the Company	69,236,000
Total number of Placing Shares to be offered by the Company	75,000,000
Total proceeds of the Placing (before expenses) <sup>(4)</sup>	£42 million
Proceeds of the Placing (after Placing expenses) <sup>(4)</sup> (approximately)	£40.9 million
Enlarged Share Capital following Admission <sup>(5)</sup>	192,874,798
Percentage of Enlarged Share Capital represented by the Placing Shares	approx. 38.9 per cent.

### Notes:

- (1) Closing Price on AIM on 7 July 2014, being the last Business Day prior to the announcement of the Placing.
- (2) As at 7 July 2014, being the last Business Day prior to the announcement of the Placing and each of the Base79 Acquisition and the VML Acquisition and excluding the 950,120 Ordinary Shares to be issued to the VML Sellers on completion of the VML Acquisition.
- (3) Being the percentage discount which the Issue Price represents to the Closing Price on AIM on 7 July 2014.
- (4) Assuming the issue of all the Placing Shares.
- (5) Assuming the issue of all the Placing Shares and including the 950,120 Ordinary Shares to be issued to the VML Sellers on completion of the VML Acquisition.

## DEFINITIONS

The following definitions and terms apply throughout this Document and in the accompanying Form of Proxy unless otherwise stated or the context requires otherwise:

<b>"Act"</b>	the Companies Act 2006, as amended
<b>"Admission"</b>	the admission of Placing Shares to trading on AIM and such admission becoming effective in accordance with the AIM Rules
<b>"AIM"</b>	AIM, a market operated by the London Stock Exchange
<b>"AIM Rules"</b>	the AIM Rules for Companies setting out the rules and responsibilities in relation to AIM companies published by the London Stock Exchange as amended from time to time
<b>"Base79"</b>	Base79 Limited, a company incorporated in England and Wales with registered number 06296106 and having its registered office at 9th Floor, 107 Cheapside, London EC2V 6DN
<b>"Base79 Acquisition"</b>	means the proposed acquisition of the entire issued and to be issued share capital of Base79 pursuant to the Base79 SPA
<b>"Base79 Earn-out"</b>	means an amount of up to £25 million which will be satisfied by way of the allotment and issue of the Earn-out Consideration Shares following 30 April 2015 pursuant to the Base79 SPA subject to various earn-out targets agreed between the parties to that agreement being achieved
<b>"Base79 SPA"</b>	the conditional sale and purchase agreement dated 8 July 2014 between the Company, the shareholders of Base79, the Vendors' Representative, the MMC Representative and the TCG Representative in relation to Base79
<b>"Board" or "Directors"</b>	the directors of Rightster whose names appear on page 7 of this Document
<b>"Business Day"</b>	a day other than a Saturday or Sunday on which banks are open for commercial business in the City of London
<b>"Cenkos", "Nominated Adviser" or "Nomad"</b>	Cenkos Securities plc, a company incorporated in England and Wales with registered number 05210733 and having its registered office at 6.7.8 Tokenhouse Yard, London EC2R 7AS
<b>"certificated form"</b>	not in an uncertificated form
<b>"Closing Price"</b>	the closing middle market quotation of an Ordinary Share as derived from the AIM Appendix to the Daily Official List of the London Stock Exchange
<b>"Company" or "Rightster"</b>	Rightster Group plc, a company incorporated in England and Wales with registered number 8754680 and having its registered office at Third Floor, 1 Neal Street, London WC2H 9QL
<b>"CREST"</b>	the relevant system (as defined in the CREST Regulations) for paperless settlement of share transfers and the holding of shares in uncertificated form (in respect of which Euroclear is the operator as defined in the CREST Regulations)
<b>"CREST Regulations"</b>	the Uncertificated Securities Regulations 2001 (SI 2001/3755), as amended
<b>"Disclosure Rules" or "DTR"</b>	the Disclosure and Transparency Rules made by the UKLA in accordance with section 73(A)(3) of FSMA relating to the disclosure of information in respect of financial instruments which have been admitted to trading on a regulated market
<b>"Document"</b>	this Document which, for the avoidance of doubt, does not comprise a prospectus (under the Prospectus Rules) nor an admission document (under the AIM Rules)
<b>"Earn-out Consideration Shares"</b>	the new Ordinary Shares to be issued to Base79 shareholders in respect of the Base79 Earn-out pursuant to the Base79 SPA
<b>"EIS"</b>	enterprise investment scheme
<b>"Enlarged Share Capital"</b>	the issued Ordinary Share capital of Rightster immediately following completion of the Placing and completion of the Base79 SPA (and, for the avoidance of doubt, including the 950,120 Ordinary Shares to be issued to the VML Sellers on completion of the VML Acquisition)
<b>"Euroclear"</b>	Euroclear UK and Ireland Limited, the operator of the CREST UK System or such other person as may for the time being be approved by HM Treasury as operator under the CREST Regulations
<b>"Existing Authorities"</b>	the authorities granted to the Directors to allot Ordinary Shares and to disapply pre-emption rights pursuant to certain of the shareholder resolutions passed at the Company's Annual General Meeting on 10 June 2014
<b>"Existing Ordinary Shares"</b>	each Ordinary Share in issue as at 7 July 2014
<b>"FCA"</b>	the Financial Conduct Authority
<b>"First Placing Shares"</b>	5,764,000 Placing Shares placed pursuant to the Placing conditional on, inter alia, the passing of the Resolutions, with certain investors who are able to benefit from VCT/EIS tax treatment and which are to be admitted to trading on AIM at Admission
<b>"Form of Proxy"</b>	the form of proxy enclosed with this Document for use by Shareholders in connection with the General Meeting
<b>"FSMA"</b>	the Financial Services and Markets Act 2000 (as amended)
<b>"General Meeting"</b>	the general meeting of Rightster convened by the notice set out in this Document to be held at 10.00 a.m. on 25 July 2014 at the offices of Covington & Burling LLP, 265 Strand, London, WC2R 1BH

<b>“Group”</b>	the Company and its subsidiaries from time to time
<b>“IAML”</b>	Invesco Asset Management Limited, a wholly owned subsidiary of Invesco Limited, acting as agent for and on behalf of its discretionary managed clients
<b>“Instagrammer”</b>	a person producing content on Instagram
<b>“Issue Price”</b>	56 pence per Placing Share
<b>“London Stock Exchange”</b>	London Stock Exchange plc
<b>“meme”</b>	an image, video, text, or other content that is copied and spread rapidly by internet users, often with slight variations
<b>“Notice of General Meeting”</b>	the notice of the General Meeting, which is set out at the end of this Document
<b>“Official List”</b>	the Official List of the UKLA
<b>“Ordinary Shares”</b>	the ordinary shares of 0.1 pence each in the capital of the Company
<b>“Placees”</b>	subscribers for the Placing Shares, as procured by Cenkos on behalf of the Company pursuant to the Placing Agreement
<b>“Placing”</b>	the conditional placing by Cenkos of certain of the Placing Shares at the Issue Price pursuant to, and on the terms of, the Placing Agreement and the direct conditional subscription for certain of the Placing Shares by certain investors pursuant to subscription letters entered into with the Company
<b>“Placing Agreement”</b>	the conditional agreement dated 8 July 2014 between Cenkos and the Company relating to the Placing
<b>“Placing Shares”</b>	75 million new Ordinary Shares to be issued pursuant to the Placing
<b>“Prospectus Rules”</b>	the Prospectus Rules made in accordance with EU Prospectus Directive 2003/71/EC
<b>“Registrars”</b>	Capita Registrars Limited
<b>“Related Party Transaction”</b>	IAML’s subscription for 21,381,000 Placing Shares as described in paragraph 7 of the letter from the chairman of the Company below
<b>“Relationship Agreement”</b>	the relationship agreement dated 11 November 2013 between the Company, Vesuvius and Cenkos
<b>“Resolutions”</b>	the resolutions to be proposed at the General Meeting, as set out in the notice of General Meeting included in this Document
<b>“Restricted Jurisdictions”</b>	the United States, Australia, Canada, Japan, New Zealand and the Republic of South Africa
<b>“RNS”</b>	a regulatory information service operated by the London Stock Exchange as defined by the AIM Rules
<b>“Securities Act”</b>	the US Securities Act of 1933, as amended
<b>“Second Placing Shares”</b>	69,236,000 Placing Shares placed pursuant to the Placing conditional on, inter alia, the passing of the Resolutions, with certain investors and which are to be admitted to trading on AIM at Admission
<b>“Shareholders”</b>	holders of Ordinary Shares
<b>“Sterling” or “£”</b>	the lawful currency of the United Kingdom
<b>“UK” or “United Kingdom”</b>	the United Kingdom of Great Britain and Northern Ireland
<b>“UKLA”</b>	the FCA acting in its capacity as the competent authority for the purposes of Part VI of FSMA
<b>“uncertificated form”</b>	recorded on the relevant register of the share or security concerned as being held in uncertificated form in CREST, and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST
<b>“United States” or “US”</b>	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
<b>“VAT”</b>	value added tax
<b>“VCT”</b>	venture capital trust
<b>“Vesuvius”</b>	Vesuvius Limited, a company registered in Gibraltar whose registered office is at Suite 2-1A, Leisure Island Business Centre, 23 Ocean Village Promenade, PO Box 1300, Gibraltar
<b>“Viner”</b>	a person producing content on Vine
<b>“VML Acquisition”</b>	means the acquisition by the Company of the entire issued and to be issued share capital of VML (not already held by Rightster Limited) pursuant to the VML SPA
<b>“VML”</b>	Viral Management Limited, a company incorporated in England and Wales with registered number 07760820 and having its registered office at Oliver House, 8-9 Ivor Place, London NW1 6BY
<b>“VML Sellers”</b>	the existing shareholders of Viral Management Limited other than Rightster Limited
<b>“VML SPA”</b>	the sale and purchase agreement dated 7 July 2014 between the Company and the shareholders of VML in relation to VML

# LETTER FROM THE CHAIRMAN OF RIGHTSTER GROUP PLC

(Incorporated and registered in England and Wales with registered number 8754680)

## Directors:

Mark Stephen Lieberman (Chairman)  
Charlie Stacy Muirhead (Chief Executive Officer)  
Charl Arno De Beer (Chief Financial Officer)  
John Anthony Barnett (Non-Executive Director)  
Michael Charles Broughton (Non-Executive Director)  
David Carr Mathewson (Non-Executive Director)

## Registered Office:

Third Floor  
1 Neal Street  
London  
WC2H 9QL

Dear Shareholder

8 July 2014

## Proposed acquisition of the entire issued and to be issued share capital of Base79 Limited

### Acquisition of the entire issued and to be issued share capital of Viral Management Limited (not already held by Rightster Limited)

### Placing of 75 million new Ordinary Shares of 0.1 pence per share at a price of 56 pence per share and Notice of General Meeting

#### 1. Introduction

The Company announces that:

- the Company has today entered into a conditional agreement with the shareholders of Base79 to acquire the entire issued and to be issued share capital of Base79; and
- on 7 July 2014 the Company acquired the entire issued and to be issued share capital of VML (not already held by Rightster Limited) pursuant to an agreement with the VML Sellers entered into on 7 July 2014.

The Company today also announces that it proposes to raise £42 million (before expenses) by means of the Placing, with new and existing investors, of the Placing Shares at a price of 56 pence per new Ordinary Share. The Issue Price represents a discount of approximately 0.9 per cent. to the price of 56.5 pence per Ordinary Share, being the Closing Price of the Company's Ordinary Shares on 7 July 2014.

The Placing is conditional, *inter alia*, on the passing of the Resolutions at the General Meeting. The Base79 Acquisition is conditional, *inter alia*, on completion of the Placing.

This letter explains why the Board believes that the Placing and completion of the Base79 Acquisition are in the best interests of the Company and the Shareholders as a whole and unanimously recommends that you vote in favour of the Resolutions to be proposed at the General Meeting to be held at 10.00 a.m. on 25 July 2014 as the Directors intend to do in respect of their own holdings of Ordinary Shares which represent 6.1 per cent. of the Company's issued share capital as at the date of this Document.

Charlie Muirhead (a Director), Vesuvius and IAML, significant shareholders, who in aggregate have an interest in 90,903,091 Existing Ordinary Shares, representing approximately 77.7 per cent. of the existing issued ordinary share capital of the Company, have irrevocably undertaken to vote in favour of the Resolutions to be proposed at the General Meeting.

#### 2. Rightster

Rightster provides cloud-based services that optimise the distribution and monetisation of live and on-demand video. Rightster is a global business to business video network for distribution, content-sourcing, audience engagement and monetisation. Rightster's software and services make it simple for sports, fashion, news, entertainment and viral rights holders to enhance the value of their video whether on a licenced, ad-funded, direct to consumer or paid placement basis. Rightster provides an "upload once – commercialise everywhere" solution that extends the reach of live and on-demand video content to web, mobile and connected audiences via customers' own sites, social channels, portals, platforms, online newspapers, magazines and blogs as well as Rightster's multi channel network (MCN) on YouTube. Rightster is able to work with rights holders to develop branded platforms and manage the distribution of their content, such as AFL TV with the Australian Football League.

The online video market is large (£9 billion in 2013, according to Informa Telecoms & Media), but fragmented – many different types of organisations produce and own content and audiences are spread over thousands of sites, across geographies, time zones and across many different types of access devices. Efficiently engaging with these audiences requires sophisticated technology and significant investment of effort from media businesses, for whom such demands are often a distraction.

The Company's cloud-based software platform, pre-connected network of publishers and advanced services enable content owners to engage global audiences and monetise their content efficiently. Through providing customers with audience networks using a single platform, team and cost base with an outsource model, the Directors believe that the Company is able to deliver superior results than could be achieved in-house by each of those customers, and with greater leveraged efficiency than if effort was replicated across multiple businesses. The Rightster platform is designed to have little or no marginal cost in:

- signing a new customer;
- an existing customer uploading more content; and
- additional publishers using the platform.

Rightster's second generation software platform which is on track to roll out this year is expected to reduce the cost of sale and support, provide more utility value and drive greater network effects. By the end of 2014, the Directors expect the cost of sale for onboarding most new clients to be near zero. The Directors expect Rightster's platform to scale and Rightster is on track to organically hit one billion monthly video views in the first half of 2015. The Directors expect EBITDA margins to increase should Rightster's medium term business model be implemented effectively.

Rightster's target post the Base79 Acquisition and the VML Acquisition is to become the number one European headquartered YouTube multi channel network<sup>1</sup> and one of the top five YouTube multi-channel networks by US audience<sup>2</sup>. The Directors estimate that for the 2013 financial year, Rightster, VML and Base79 would have facilitated £22.3 million in combined total transaction value<sup>3</sup>, compared to £11 million for Rightster as a stand alone business.

### 3. Base79

#### Background to and reasons for the Base79 Acquisition

The Directors believe that the Base79 Acquisition will strengthen the Company's YouTube business by adding a number of dedicated YouTube professionals and a former Director of Partnerships at YouTube, whilst also offering cross-selling opportunities for the Company's off YouTube services. The terms of the Base79 Acquisition incentivise Base79's management team to drive growth in the combined Company and Base79 YouTube business. The Directors believe that the Base79 Acquisition, together with the VML Acquisition, will create a scalable digital distribution solution for content creators and brand owners globally and accelerate the Company's path to profitability.

#### Information on Base79

Base79 was founded in 2007 and is a specialist in YouTube rights management, audience development, media sales and brand partnerships. Base79 creates global audiences for video, partnering with video rights holders and producers to build online audiences and brands, claim and protect their intellectual property, sell premium advertising and generate new revenue streams on YouTube and other Over The Top platforms. Base79 is the largest YouTube multi channel network outside of North America with approximately 760 million views per month from 1,100+ partners and manages over 2,000 YouTube channels. Base79 generated £9.62 million of gross revenue, £3.27 million of revenue after commissions, with a loss before tax of approximately £3.74 million in 2013. Base79 has offices in London, Berlin, Paris, Madrid, Sydney and Los Angeles. Base79 has received approximately US\$16 million of investment from institutional investors, MMC Ventures Limited and TCG LLC. The Base79 group has approximately 60 staff. The Directors expect that the Base79 Acquisition will bring scale benefits with media agencies and content owners.

#### Terms of the Base79 Acquisition

The consideration for the Base79 Acquisition comprises:

- on completion of the Base79 SPA, Rightster will pay the existing shareholders of Base79 an upfront cash payment of £25,000,000.01 (in aggregate), but adjusted for net cash and working capital following completion (up to a maximum additional cash payment of £1 million); and
- the Company will, subject to various earn out targets being achieved during the period ending 30 April 2015, pay the Base79 Earn-out which is capped at a maximum of £25 million and which will be satisfied by the issue of the Earn-out Consideration Shares, or, solely at the Company's discretion, satisfied in cash. The maximum consideration payable is therefore £51,000,000.01 (as adjusted for net cash and working capital following completion), the Earn-Out element of which will either be satisfied by the issue of new Ordinary Shares as described below, or, solely at the Company's discretion, satisfied in cash. The Earn-out Consideration Shares will be issued at a price per Ordinary Share equal to the average closing mid-price as shown in the Daily Official List of the London Stock Exchange for Ordinary Shares for the five Business Days prior to the payment of the Base79 Earn-out (the "**Deferred Relevant Value**"). Consequently, the number of Earn-out Consideration Shares to be issued is not currently known. The maximum number of Earn-out Consideration Shares to be issued will be £25 million divided by the Deferred Relevant Value.

Each of the existing shareholders of Base79 has agreed to provide warranties as to the title to the shares being sold and their capacity to enter into the relevant transaction documents. Certain members of the management team of Base79 have agreed to provide customary warranties in relation to Base79 and its business, assets and undertakings. The ability to bring claims under the warranties is subject to caps and limitations not unusual for the acquisition of a venture capital backed company, such as Base79. Claims for breach of warranty are to be brought against Base79's management in the first instance with further coverage for claims above an agreed threshold provided pursuant to a warranty and indemnity insurance policy agreed with a London based insurance provider. Pursuant to the Base79 Acquisition, the shareholders of Base79 who receive Earn-out Consideration Shares will be subject to lock-up agreements pursuant to which they will not be able to sell Earn-out Consideration Shares (subject to customary carve-outs) from the date of allotment of the Earn-out Consideration Shares until 12 November 2015. Any sale of the Earn-out Consideration Shares from 12 November 2015 until 1 June 2016 will be subject to an orderly market arrangement and may only be undertaken with the Nomad's consent (subject to customary carve-outs). In the event that Earn-out Consideration Shares are issued in accordance with the Base79 SPA, the Ordinary Shares and options owned by Charlie Muirhead will also become subject to an orderly market arrangement from 12 November 2015 until 1 June 2016.

Completion of the Base79 SPA is conditional on, inter alia, completion of the Placing.

### 4. VML

#### Background to and reasons for the VML Acquisition

In October 2012, Rightster Limited acquired approximately 25 per cent. of the share capital of VML. Completion of the VML Acquisition means that VML has become a wholly-owned subsidiary of the Company. The Directors believe that the VML Acquisition will significantly enhance Rightster's expertise in the social video management and licensing sphere as well as enhancing the Company's brand and agency relationships.

#### Information on VML

VML was founded in 2011 and connects brands, creative agencies, production companies and publishers with the world's most-viewed and shared social video content and influencers on multiple platforms and devices. VML is based in London with 13 staff and represents over 1,500 social videos (being videos which have had more than 250,000 views each), with around 220 million views per month on YouTube. Social videos exclusively represented by VML include "Charlie Bit My Finger" and "Sneezing Panda". VML works creatively through a range of services including licensing, research and consultancy, cross promotion/seeding, production and distribution and monetisation. As well as working with some of the biggest YouTube creators, Viners, Instagrammers and memes, VML seeks to identify the hottest new social video trends as they break with the aim of making VML the source for social video content and influencers. VML's business operates under the trading name of Viral Spiral. VML generated £1.9 million of revenue with a profit before tax of approximately £0.01 million in 2013.

- 1 By unique viewers (which excludes YouTube multi channel networks run by rights owners).
- 2 Which assumes no more than 70% overlap between Rightster's and Base79's audience base.
- 3 The total transaction value includes all business facilitated by Rightster (including, for example, revenue share not yet allocated to YouTube). The combined transaction value includes adjustments for consolidation between Rightster and VML.
- 4 Excluding revenue from Google Ireland Limited in connection with original programming initiatives for YouTube.

## Terms of the VML Acquisition

The consideration for the VML Acquisition was based on a multiple of 2013 revenue but takes into account a number of other factors including the completion of the transaction later than had originally been contemplated by the parties and the strong performance of VML during the relevant period. The VML SPA provides that:

- on completion of the VML SPA, the Company paid the VML Sellers an upfront cash payment of £1,749,875 (in aggregate) and 950,120 new Ordinary Shares issued at the average of the middle market quotations for Ordinary Shares as shown in the Daily Official List of the London Stock Exchange on the 20 Business Days preceding the date of completion of the VML SPA; and
- following the first anniversary of completion of, and pursuant to, the VML SPA, the Company will pay the VML Sellers an amount of up to £1,699,875 in deferred consideration (the “**VML Deferred Consideration**”). The maximum amount payable by the Company to the VML vendors is therefore £4,049,750 in a mixture of cash and new Ordinary Shares as described in more detail below. The exact amount of the VML Deferred Consideration to be paid by the Company is contingent upon certain milestones relating to the business of VML and the Company being achieved during the 12 months after completion of the VML SPA. The VML Deferred Consideration will be satisfied by the payment of cash and Ordinary Shares issued at the average of the middle market quotations for Ordinary Shares as shown in the Daily Official List of the London Stock Exchange on the 20 Business Days preceding the date of issue of the VML Deferred Consideration. The Company will pay not less than 50 per cent. of the VML Deferred Consideration in cash (with the remainder in new Ordinary Shares) but can elect to pay up to 88.672% of the VML Deferred Consideration in cash (with the remainder in new Ordinary Shares).

Each of the VML Sellers has agreed to provide warranties as to the title to the shares in VML being sold to the Company and their capacity to enter into the relevant transaction documents. The VML Sellers who are also directors of VML have agreed to provide customary warranties in relation to VML and its business. Any claims by the Company in respect of the warranties are subject to certain agreed caps and other limitations. Pursuant to the VML Acquisition, the VML Sellers will be subject to lock-up agreements pursuant to which they will not be able to sell Ordinary Shares issued on completion of the VML SPA and issued as part of the VML Deferred Consideration (subject to customary carve-outs) during the 12 month period after the date such Ordinary Shares are issued to them. Any sale of such Ordinary Shares after the 12 month lock-up period has elapsed will be subject to an orderly market arrangement for the following 12 month period and may only be undertaken during such period with the Nomad's consent (subject to customary carve-outs).

## 5. Post-acquisitions

Rightster believes that scale is a key determinant of success in this sector and that the Base 79 Acquisition and the VML Acquisition present two transformative opportunities. Post the acquisitions, the enlarged group is expected to rank as the fourth biggest YouTube multi channel network by audience in the US<sup>5</sup>. The enlarged group is also expected to be the largest multi channel network outside of North America.<sup>6</sup>

The Directors believe the Base79 Acquisition and the VML Acquisition will give the Company the scale that it needs to significantly enhance its offering to creators, publishers and brands. The aggregated proposition will provide customers with premium advertising, software innovation, talent expertise, brand expertise, YouTube expertise, an off YouTube network and data capabilities, all on a global scale.

The Directors consider that key factors for market leadership will be achieved, following the acquisitions:

- Scale and Network Effect – an average of 1.1 billion views per month is expected across the content portfolios, 9–12 months earlier than on a standalone basis;
- Cross-platform Data – significantly increased data capability across the Company's platform;
- Global Footprint – opportunity for expanded international offices;
- Software Innovation – ability to scale the Company's technology to hundreds of new clients; and
- World Class Team – achieve a critical mass of digital native senior leadership.

The Directors believe the Base79 Acquisition and the VML Acquisition will provide the Company with the following risk reductions:

- A broader executive team with the addition of proven online video executives, including Ashley MacKenzie as advisor to the CEO, Patrick Walker as CCO, Richard Mansell as CSDO (Chief Services Delivery Officer), Jon Robson as SVP International, Ben Lister as VP Business Development West Coast, Daniel Fisher as VP Global Sales Strategy and Operations and Damian Collier as VP Global Entertainment and Strategic Accounts;
- A doubling of content owners which will further drive the Company's network effect;
- An uplift in advertising CPM (which means 'cost per mille', i.e. advertising revenue per thousand video views) locking in advertising growth both on and off YouTube; and
- An acceleration in sales with a higher win rate expected from reduced competition and an improved proposition.

In addition, the Directors expect the following cost synergies to be achieved post-acquisitions:

- Reduced operating costs – given consolidation of office space and the opportunity to obtain volume discounts from suppliers;
- Reduced headcount growth – capacity is expected to be provided by productivity improvements across the combined business; and
- Reduced recruiting costs – given the acquisitions will fill currently open positions, an immediate reduction in recruiting costs is expected post acquisitions, with the full benefit being realised in 2015.

The Directors also anticipate the following revenue synergies post-acquisitions:

- Cross-selling opportunities – with off YouTube services being provided to Base 79's existing YouTube partners;
- Upsell opportunities – the Company's existing clients being offered an improved YouTube solution;
- Combined “Brand 360” offering – ability to sell end-to-end campaigns;
- Scale in Media Sales – opportunity for annual trading deals and obtaining preferred supplier status;
- International Growth – ability to achieve momentum in key growth markets including USA, Latin America and Australia; and
- Brand Leadership – obtain greater credibility with prospects, increased leads and win rate.

5 On the assumption there is no more than a 70% overlap between Rightster and Base79's audiences.

6 Based on the number of unique viewers across US and Europe attributed to a multi channel network headquartered outside of North America.

The Directors estimate that for the:

- 2014 financial year there will be a 5% (£0.5 million) uplift in revenue after commissions as a result of the estimated revenue synergies and 2% (£0.3 million) saving in operating costs as a result of the estimated cost synergies; and
- 2015 financial year there will be 8% (£2 million) uplift in revenue after commissions as a result of the estimated revenue synergies and 5-6% (£1.3 million) saving in operating costs as a result of the estimated cost synergies,

resulting in £1.3 million to £3.3 million of EBITDA improvement in 2015. The Directors estimates are based on the combined 2013 financials of the Company, VML and Base79, summary details of which are set out in the table below:

### Combined Financials (FY 13)<sup>1</sup>

(in £'000)	Rightster	Base79 <sup>3</sup>	VML	Total
Total revenues including commission share <sup>2</sup>	8,533	6,836	1,136 <sup>6</sup>	16,505
Revenue after commission share	6,164 <sup>5</sup>	2,681	529	9,374
Cost of Sales	(5,530)	(162)	0 <sup>4</sup>	(5,692)
Gross profit/(loss)	634	2,519	529	3,682
Opex	(17,952)	(6,415)	(446)	(24,813)
EBITDA	(17,319)	(3,896)	83	(21,132)

1 Rightster and Base79 have financial years ending 31 December. VML financial year ends 30 April but VML provided a restated profit and loss statement from 1 January to 31 December 2013.

2 Commission share are revenue share payments made to content owners and publishers.

3 Excluding revenue from Google Ireland Limited in connection with original programming initiatives for YouTube.

4 Base79 and VML account for commission share as cost of sales – the numbers provided are restated using Rightster accounting principles.

5 If excluding terminated contracts, revenue is £2,983,000.

6 Revenue adjusted for intercompany consolidation adjustment.

### 6. The Placing and Admission

The Company has conditionally placed 75 million new Ordinary Shares at 56 pence per share with existing and new investors to raise £42 million before Placing expenses.

To enable certain Placees to take advantage of VCT/EIS tax treatment, it is expected that the First Placing Shares will be allotted and issued on 25 July 2014 and the Second Placing Shares will be allotted and issued before 8.00 a.m. on 28 July 2014. CREST accounts are expected to be credited with First Placing Shares on 25 July 2014 and it is expected that share certificates in respect of the First Placing Shares (where applicable) will be dispatched by post (at shareholders' risk) by 8 August 2014. CREST accounts are expected to be credited with Second Placing Shares on the day of Admission and it is expected that share certificates in respect of Second Placing Shares (where applicable) will be dispatched by post (at shareholders' risk) by 11 August 2014.

The Placing Shares will, when issued, rank in full for all dividends declared, made or paid after the date of their issue and otherwise pari passu with the Existing Ordinary Shares.

### The Placing Agreement

In connection with the Placing, the Company and Cenkos have entered into the Placing Agreement pursuant to which and conditional upon, inter alia, Admission of the Placing Shares taking place on or before 28 July 2014 (or such later time and date as the Company and Cenkos may agree, being no later than 11 August 2014) Cenkos has agreed to use its reasonable endeavours to procure subscribers for the Placing Shares at the Issue Price. The Placing is not underwritten.

The Placing Agreement contains customary warranties and an indemnity from the Company in favour of Cenkos together with provisions which enable Cenkos to terminate the Placing Agreement in certain circumstances prior to Admission, including where any warranties are found to be untrue, inaccurate or misleading in any material respect or in the event of a material adverse change in, inter alia, the financial position or prospects of the Group or if there has been a breach of the provisions of the Base79 SPA or the VML Spa which (in the reasonable opinion of Cenkos) is material in the context of the Placing or Admission.

Under the Placing Agreement the Company has agreed to pay Cenkos a corporate finance fee and commissions. The Company has also agreed to pay all other costs, charges and expenses incidental to the Placing and Admission.

### Settlement and dealings

Application will be made to the London Stock Exchange for the Placing Shares to be admitted to trading on AIM. Assuming that the Resolutions are passed, it is expected that Admission will become effective and dealings in the Placing Shares will commence at 8.00 a.m. on 28 July 2014.

### 7. Related Party Transaction and Relationship Agreement

As part of the Placing, it is proposed that IAML will subscribe, at the Issue Price, for 21,381,000 Placing Shares, which will represent approximately 11.1 per cent. of the Enlarged Share Capital. Assuming the issue of all of the Placing Shares, IAML will hold 28.4 per cent. of the Enlarged Share Capital. The proposed allotment and issue of the 21,381,000 Placing Shares to IAML will constitute a "Related Party Transaction" for the purpose of AIM Rule 13 as a result of IAML being a "substantial shareholder" as defined by the AIM Rules. As at the date of this document, IAML holds 28.5 per cent. of the Existing Ordinary Shares. The Directors consider, having consulted with Cenkos, that the terms of the Related Party Transaction are fair and reasonable insofar as the Company's shareholders are concerned.

As at the date of this document, Vesuvius holds 43.2 per cent. of the Existing Ordinary Shares and is a party to the Relationship Agreement which regulates aspects of the relationship between the Company and Vesuvius. Certain undertakings given by Vesuvius in the Relationship Agreement will fall away, amongst other things, when the voting rights attaching to Vesuvius' shareholding (together with that of its associates) in the capital of the Company represent less than 30 per cent. of all voting rights in the Company. Those undertakings will fall away on Admission as, following the allotment and issue of the Placing Shares, the voting rights attaching to the shares held by Vesuvius (and any of its associates) in the capital of the Company will represent less than

30 per cent. of all voting rights in the Company. In certain circumstances, in the event that the voting rights attaching to the shares held by Vesuvius (and any of its associates) in the capital of the Company should subsequently increase such that they come to represent at least 30 per cent. of all voting rights in the Company at any time during the 12 months after Admission, the undertakings in the Relationship Agreement will, once again, apply to Vesuvius. Vesuvius will continue to have the right, pursuant to the Relationship Agreement, to appoint one non-executive director to the Board of the Company for so long as it (and/or any of its associates) hold 10 per cent. or more of the issued share capital of the Company.

#### **8. Use of proceeds**

The net proceeds of the Placing are expected to provide the Company with working capital to fund the continued operations in building out the Group's network, adding content owners and publishers and to fund continued R&D investment, as well as continuing to enhance the Company's product.

The net Placing proceeds will be used as set out below:

- approximately £25,500,000 (and up to a maximum of £26,000,000.01) will be used to satisfy the Company's obligation to make payment to the shareholders of Base79 on completion of the Base79 SPA;
- £0.01 will be used for the purpose of financing the purchase by the Company of all the issued deferred shares of £0.0000001 in the Company in accordance with the Company's articles of association and as authorised in accordance with the Act at the Company's annual general meeting held on 10 June 2014; and
- otherwise for general working capital purposes.

#### **9. Effect of the Placing and Admission**

On Admission, the Enlarged Share Capital is expected to be 192,874,798 Ordinary Shares. On this basis, the Placing Shares will represent approximately 38.9 per cent. of the Enlarged Share Capital.

#### **10. Resolutions**

The Resolutions to be proposed at the General Meeting are, in summary, as follows:

- (1) an ordinary resolution, to grant the Directors authority to allot the Placing Shares, the Earn-out Consideration Shares (to be issued subject to satisfaction of certain earn-out targets pursuant to the Base79 SPA) and to issue options over Ordinary Shares to certain employees of Base79 in consideration of the surrender of their options over shares in Base79; and
- (2) a special resolution, to disapply pre-emption rights granted under the Act, in respect of the allotment of the Placing Shares and such Earn-out Consideration Shares and such options over Ordinary Shares.

The authorities set out in Resolutions 1 and 2 are in addition to the Existing Authorities.

The Company is seeking specific authorities in respect of the Placing Shares, the Earn-out Consideration Shares and the grant of options over Ordinary Shares to employees of Base79. As noted above, the number of Earn-out Consideration Shares to be issued is not currently known. The maximum number of Earn-out Consideration Shares to be issued will be £25 million divided by the Deferred Relevant Value. In order to ensure that the Company is able to issue the Earn-out Consideration Shares in accordance with the Base79 SPA, the Company is seeking a specific authority which uses the nominal value of the Ordinary Shares as the Deferred Relevant Value.

#### **11. General Meeting and action to be taken**

A notice convening the General Meeting to be held at the offices of Covington & Burling LLP, 265 Strand, London, WC2R 1BH at 10.00 a.m. on 25 July 2014 is set out at the end of this Document. A Form of Proxy for use by Shareholders in connection with the General Meeting is also enclosed with this Document.

Whether or not you propose to attend the General Meeting in person, you are requested to complete the Form of Proxy in accordance with the instructions printed on it and to return it to the Company's registrars, by post to Capita Asset Services, FREEPOST RLUB-TBUX-EGUC, PXS1, 34 Beckenham Road, Kent BR3 4ZF or, by hand delivery to Capita Asset Services, The Registry, 34 Beckenham Road, Kent BR3 4TU, as soon as possible and in any event so as to arrive no later than 10.00 a.m. on 23 July 2014. Completion and return of the Form of Proxy will not preclude you from attending the General Meeting and voting in person should you so wish.

#### **12. Recommendation**

The Directors consider the Placing, the VML Acquisition and the Base79 Acquisition to be in the best interests of the Company and the Shareholders as a whole and, accordingly, unanimously recommend that you vote in favour of the Resolutions to be proposed at the General Meeting as they intend to do in respect of their own holdings of Ordinary Shares.

Copies of this Document will be available for inspection free of charge at the registered office of the Company during normal business hours on any Business Day from the date of this Document up to and including the date of Admission.

Yours faithfully

**Mark Lieberman**

Chairman  
8 July 2014

## NOTICE OF GENERAL MEETING

# RIGHTSTER GROUP PLC

*(Incorporated and registered in England and Wales with registered number 8754680)*

NOTICE IS HEREBY GIVEN that a General Meeting of Rightster Group plc (the "Company") will be held at the offices of Covington & Burling LLP, 265 Strand, London, WC2R 1BH at 10.00 a.m. on 25 July 2014 for the purpose of considering and, if thought fit, passing the following Resolutions, of which Resolution 1 will be proposed as an ordinary resolution and Resolution 2 will be proposed as a special resolution.

In this Notice words and defined terms shall have the same meanings as words and defined terms in the Document to which this Notice is attached

### ORDINARY RESOLUTION

1. THAT, the Directors be and are hereby generally and unconditionally authorised pursuant to section 551 of the Act (in addition to all existing authorities conferred upon the Directors pursuant to section 551 of the Act), to exercise all the powers of the Company to allot Ordinary Shares in the capital of the Company and to grant rights to subscribe for or convert any security into such Ordinary Shares (all of which transactions are hereafter referred to as an allotment of "**Relevant Securities**") up to an aggregate nominal value of:

- (a) £75,000 in connection with the Placing;
- (b) £25,000,000 in connection with the issue of the Earn-out Consideration Shares; and
- (c) £8,000 in connection with the grant of options to acquire Ordinary Shares to employees of Base79 or its subsidiaries,

provided that, in each case, such authority shall expire (unless previously renewed, varied or revoked by the Company in general meeting) 18 months after the date of the passing of this Resolution, but the Company may before such expiry, revocation or variation make an offer or agreement which would or might require Relevant Securities to be allotted after such expiry, revocation or variation and the Directors may allot relevant securities in pursuance of such offer or agreement as if the authority hereby conferred had not expired or been revoked or varied.

### SPECIAL RESOLUTION

2. THAT, subject to and conditional only on the passing of Resolution 1 above, (and in addition to all existing unexercised powers of the Directors under section 570 of the Act) the Directors be and are hereby empowered pursuant to section 570 of the Act to allot equity securities (as defined in section 560 of the Act) for cash pursuant to the authority conferred by Resolution 1 above as if section 561 of the Act did not apply to any such allotment, provided that this authority shall:

- (a) be limited to the allotment of up to an aggregate of:
  - (i) £75,000 in nominal value of Ordinary Shares in connection with the Placing;
  - (ii) £25,000,000 in nominal value of Ordinary Shares in connection with the issue of the Earn-out Consideration Shares; and
  - (iii) £8,000 in nominal value of Ordinary Shares in connection with the grant of options to acquire Ordinary Shares to employees of Base79 and its subsidiaries; and
- (b) subject to the continuance of the authority conferred by Resolution 1 above, expire (unless previously renewed, varied or revoked by the Company in general meeting) 18 months after the date of the passing of this Resolution, save that the Company may before such expiry, revocation or variation make an offer or agreement which would or might require equity securities to be allotted after such expiry, revocation or variation and the Directors may allot equity securities in pursuance of such offer or agreement as if such power hereby conferred had not expired or been revoked or varied.

### BY ORDER OF THE BOARD

Gerard Cranley  
Company Secretary

Dated: 8 July 2014

Registered office:  
Third Floor  
1 Neal Street  
London  
WC2H 9QL

### Proxies

1. A form of proxy is enclosed for your use.
2. A member of the Company entitled to attend and vote at the meeting may appoint one or more proxies to exercise all or any of his rights to attend, to speak and to vote on his/her behalf. A proxy need not be a member of the Company. A member may appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him or her. Each such proxy will have the right to vote on a poll in respect of the number of votes attaching to the number of shares in respect of which the proxy has been appointed. Where more than one joint member purports to appoint a proxy in respect of the same shares, only the appointment by the most senior member will be accepted, as determined by the order in which their names appear in the Company's register of members. If you wish your proxy to speak at the meeting, you should appoint a proxy other than the chairman of the meeting and give your instructions to that proxy. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a duly certified copy of that power or other authority (if any), must be completed, signed and deposited with the Company's registrars, Capita Asset Services, in the envelope provided to FREEPOST RLUB-TBUX-EGUC, PXS1, 34 Beckenham Road, Kent BR3 4ZF, not less than 48 hours before the time of the meeting (or adjourned meeting) or, in the case of a poll taken more than 48 hours after the date of the meeting (or adjourned meeting), not less than 24 hours before the time appointed for the taking of the poll. Members who intend to appoint more than one proxy can obtain additional forms of proxy from Capita Asset Services. Alternatively, the form provided may be photocopied prior to completion. The forms of proxy should be returned in the same envelope and each should indicate that it is one of more than one appointments being made. If you are a CREST member, see note 7 below.
3. An abstention option has been included on the form of proxy. The legal effect of choosing the abstention option on any resolution is that the member concerned will be treated as not having voted on the relevant resolution. The number of votes in respect of which there are abstentions will however be counted and recorded, but disregarded in calculating the number of votes for or against each resolution.
4. Completion of a form of proxy or any CREST Proxy Instruction will not preclude a member from attending and voting in person at the meeting or any adjournment thereof should he/she wish to do so.
5. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those shareholders registered in the register of members of the Company as at 6.00 p.m. on 23 July, 2014 or, in the event that the meeting is adjourned, in the register of members of the Company not less than 48 hours before the time of the adjourned meeting, shall be entitled to attend and vote (whether in person or by proxy) at the General Meeting in respect of the number of shares registered in their name at the relevant time. Subsequent changes to entries in the register of members will be disregarded in determining the rights of any person to attend or vote at the meeting or any adjourned meeting (as the case may be).
6. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the General Meeting to be held on 25 July, 2014 at 10.00 a.m. and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsors or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual available via [www.euroclear.com/CREST](http://www.euroclear.com/CREST). The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy, must be transmitted so as to be received by the Company's agent, Capita Asset Services (CREST Participant ID: RA10), no later than 48 hours before the time appointed for the meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. CREST members and, where applicable, their CREST sponsor or voting service provider should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsor or voting service provider are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
7. Any corporation that is a member can appoint one or more corporate representatives who have one vote each on a show of hands and otherwise may exercise on its behalf all of its powers as a member provided that they do not do so in different ways in relation to the same shares.
8. Members, proxies and authorised representatives will be required to provide their names and addresses for verification against the register of members and proxy appointments received by the Company before entering the meeting. Each authorised representative must produce proof of his or her appointment, in the form of the actual appointment or a certified copy. Other than this, there are no procedures with which any such persons must comply in order to attend and vote at the meeting.
9. Members, proxies and authorised representatives may raise questions at the meeting concerning the business being dealt with at the meeting and will receive answers, except that a question need not be answered where it would interfere unduly with the conduct of the meeting, would involve the disclosure of confidential information, where the answer has already been given on a website in the form of an answer to a question or where it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

### Communication

10. You may not use any electronic address (within the meaning of Section 333(4) of the CA 2006) provided in this Notice of Meeting (or in any related documents including the form of proxy) to communicate with the Company for any purposes other than those expressly stated.





