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If you have sold or otherwise transferred all of your Ordinary Shares, please send this document, together with 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 transmission to the purchaser or transferee. However, such documents should not be forwarded or transmitted in or into any jurisdiction in which such an act would constitute a violation of the relevant laws of such jurisdiction. If you have sold or otherwise transferred some of your Ordinary Shares, you should consult with the stockbroker, bank or other agent through whom the sale or transfer was effected.

This document comprises an AIM admission document and has been drawn up in accordance with the requirements of the AIM Rules for Companies. This document contains no offer of transferable securities to the public within the meaning of section 85 of FSMA or the Act or otherwise and is not a prospectus as defined in the Prospectus Rules. Accordingly, neither the contents nor the issue of this document have been approved by the FCA pursuant to section 85 of FSMA or any other competent authority.

The Company, the Directors and the Proposed Directors, whose names appear on page 10 of this document, accept responsibility individually and collectively in accordance with the AIM Rules for Companies for the information contained in this document. To the best of the knowledge and belief of the Company, the Directors and the Proposed Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Ten Alps plc

(a company incorporated and registered in Scotland with registered number SC075133)

**Proposed Acquisition of Reef Television Limited
Proposed placing of 173,900,000 New Ordinary Shares at 2 pence per New Ordinary Share
Proposed subscription for 51,100,000 New Ordinary Shares at 2 pence per New Ordinary Share
Proposed Share Capital Reorganisation, Debt Conversion (including the issue of Preference Shares)
and Capital Reduction
Proposed adoption of New Articles of Association
Admission of the Enlarged Issued Share Capital to trading on AIM and Notice of General Meeting**

Nominated Adviser and Broker

N+1 SINGER

Application will be made for the Enlarged Issued Share Capital to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings in the Enlarged Issued Share Capital will commence on AIM on 13 July 2015.

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. Each AIM company is required pursuant to the AIM Rules for Companies to have a nominated adviser.

The nominated adviser is required to make a declaration to the London Stock Exchange on admission in the form set out in Schedule Two to the AIM Rules for Nominated Advisers. The London Stock Exchange has not itself examined or approved the contents of this document. The AIM Rules are less demanding than the listing rules of the UK Listing Authority. It is emphasised that no application is being made for admission of these securities to the Official List of the UK Listing Authority. The Ordinary Shares are not dealt on any other recognised investment exchange.

N+1 Singer, which is authorised and regulated in the United Kingdom by the FCA, is acting as nominated adviser and broker to Ten Alps for the purposes of the AIM Rules for Companies and no one else in connection with the Proposals and Admission and will not be responsible to any person other than Ten Alps for providing the regulatory and legal protections afforded to customers of N+1 Singer as defined by the FCA Rules nor for providing advice in relation to the contents of this document or any matter, transaction or arrangement referred to in it. The responsibilities of N+1 Singer, as nominated adviser under the AIM Rules for Nominated Advisers, are owed solely to London Stock Exchange and are not owed to Ten Alps or any Director or to any other person in respect of their decision to acquire Ordinary Shares in reliance of any part of this document. In particular, the information contained in this document has been prepared solely for the purposes of the Admission and is not intended to inform or be relied upon by any subsequent purchasers of Ordinary Shares (whether on or off exchange) and, accordingly, no duty of care is accepted in relation to them. Without limiting the statutory rights of any person to whom this document is issued, no representation or warranty, express or implied, is made by N+1 Singer as to the contents of this document. No liability whatsoever is accepted by N+1 Singer for the accuracy of any information or opinions contained in this document, or for omissions of any information from this document, for which the Company and the Directors are solely responsible.

Notice convening a general meeting of Ten Alps to be held at the offices of Nabarro LLP, 125 London Wall, London EC2Y 5AL at 9.00 a.m. on 10 July 2015 is set out at the end of this document. The accompanying Form of Proxy for use at the General Meeting should be completed and returned to Capita Asset Services, PXS1, 34 Beckenham Road, Kent BR3 4ZF as soon as possible and to be valid must arrive by no later than 9.00 a.m. on 8 July 2015.

Copies of this document will be available free of charge during normal business hours on any weekday (except Saturdays, Sundays and public holidays) at the offices of N+1 Singer at One Bartholomew Lane, London EC2N 2AX, from the date of this document and for a period of one month from the date of Admission. This document will be available to download from Ten Alps' website at www.tenalps.com.

IMPORTANT NOTICE

The distribution of this document outside the United Kingdom may be restricted by law and therefore persons outside the United Kingdom into whose possession this document comes should inform themselves about and observe any restrictions as to Admission, the New Ordinary Shares and the distribution of this document. This document does not constitute an offer to sell or issue, or the solicitation of an offer to buy or subscribe for, New Ordinary Shares in any jurisdiction in which such offer or solicitation is unlawful. This document should not be copied or distributed by recipients and, in particular should not be distributed, published, reproduced or otherwise made available by any means, including electronic transmission, in, into or from the United States of America, Canada, the Republic of South Africa or Japan or any other jurisdiction where to do so would be in breach of any other law and/or regulation. The New Ordinary Shares have not been, and will not be, registered in the United States of America under the United States Securities Act of 1933 (as amended) (the "Securities Act") or under the securities laws of any state of the United States of America or under the securities laws of any of Canada, the Republic of South Africa, or Japan and, subject to certain exemptions, may not be offered or sold, directly or indirectly, within or into the United States of America, Canada, the Republic of South Africa or Japan or to, or for the account or benefit of, US persons (as such term is defined in Regulation S under the Securities Act) or to any national, resident or citizen of Canada, the Republic of South Africa, or Japan. Neither this document nor any copy of it may be distributed in or sent to or taken into the United States, Canada, the Republic of South Africa or Japan, nor may it be distributed to any US person (within the meaning of Regulation S under the Securities Act). In addition, the securities to which this document relates must not be marketed into any jurisdiction where to do so would be unlawful. Persons into whose possession this document comes should inform themselves about, and observe any such restrictions.

This document is not a disclosure document under the Australian Corporations Act 2001 (Cth) ("Australian Corporations Act") and does not purport to include the information required of a disclosure document or product disclosure document under the Australian Corporations Act. Neither this document, any other disclosure document nor product disclosure statement in relation to the offer of the New Ordinary Shares has been lodged with the Australian Securities and Investments Commission ("ASIC"). This document does not constitute an offer, invitation, or recommendation in Australia to Australian retail investors to subscribe for or purchase any New Ordinary Shares and neither this document nor anything contained in it shall form the basis of any such contract or commitment.

No person has been authorised to give any information or to make any representation about the Enlarged Group and about the matters the subject of this document other than those contained in this document. If any such information or representation is given or made then it must not be relied upon as having been so authorised. The delivery of this document shall not imply that no change has occurred in any member of the Enlarged Group's affairs since the date of issue of this document or that the information in this document is correct as at any time after the date of this document, save as shall be required to be updated by law or regulation.

FORWARD-LOOKING STATEMENTS

This document includes "forward-looking statements" which include all statements other than statements of historical facts, including, without limitation, those regarding the Enlarged Group's financial position, business strategy, plans and objectives of management for future operations, or any statements preceded by, followed by or that include the words "targets", "believes", "expects", "aims", "intends", "will", "may", "anticipates", "would", "could" or similar expressions or negatives thereof. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Company's control that could cause the actual results, performance or achievements of the Enlarged Group to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Enlarged Group's present and future business strategies and the environment in which the Enlarged Group will operate in the future. These forward-looking statements speak only as at the date of this document. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained herein to reflect any change in the Company's expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based unless required to do so by applicable law, the AIM Rules for Companies or by any applicable regulatory authority.

BASIS ON WHICH INFORMATION IS PRESENTED

The report on financial information included in Part IV of this document has been prepared in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom and the related consent to its inclusion in this document appearing in Part VI of this document has been included as required by the AIM Rules for Companies and solely for that purpose.

Various figures and percentages in tables in this document, including financial information, have been rounded and accordingly may not total. As a result of this rounding, the totals of data presented in this document may vary slightly from the actual arithmetical totals of such data.

THIRD PARTY INFORMATION

Where third party information has been used in this document, the source of such information has been identified. The Company takes responsibility for compiling and extracting, but has not independently verified, market data provided by third parties or industry or general publications and takes no further responsibility for such data.

REFERENCES TO DEFINED TERMS

Certain terms used in this document are defined and certain technical and other terms used in this document are explained at the section of this document under the heading "Definitions".

All times referred to in this document are, unless otherwise stated, references to London time.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

2015

Publication date of this document	17 June
Latest time and date for receipt of Forms of Proxy	9.00 a.m. on 8 July
General Meeting	9.00 a.m. on 10 July
Record date for Share Capital Reorganisation	6.00 p.m. on 10 July
Admission of the Existing Ordinary Shares and New Ordinary Shares	13 July
CREST accounts expected to be credited with the New Ordinary Shares	13 July
Completion of the Acquisition	14 July
Definitive share certificates expected to be despatched by	20 July

Each of the times and dates above is subject to change. If necessary, any such change will be notified by an announcement on a Regulatory Information Service

ADMISSION STATISTICS

Number of Ordinary Shares in issue at the date of this document	276,666,012
Basis of share consolidation under Share Capital Reorganisation	1 Ordinary Share for every 10 Existing Ordinary Shares
Ordinary Shares in issue following the Share Capital Reorganisation	27,666,601
Number of Subscription Shares to be issued	51,100,000
Number of Placing Shares to be issued	173,900,000
Number of Debt Conversion Shares to be issued	140,214,078
Number of Lepe Option Shares to be issued	2,766,660
Number of Fee Shares to be issued	23,750,000
Enlarged Issued Share Capital on Admission	419,397,339
New Ordinary Shares as a percentage of the Enlarged Issued Share Capital	93.40 per cent.
Issue Price per New Ordinary Share (after consolidation)	2 pence
Gross proceeds receivable by the Company pursuant to the Placing and Subscription	£4.5 million
Market capitalisation of the Company at Admission at the Issue Price	£8.39 million

DEFINITIONS

The following definitions apply throughout this document, unless the context otherwise requires:

“Accountants’ Report”	the report on the historical financial information relating to Reef which is set out in Part IV of this document
“Acquisition”	the Company’s proposed acquisition of the entire issued and to be issued share capital of Reef pursuant to the terms of the Acquisition Agreement
“Acquisition Agreement”	the conditional agreement dated 16 June 2015 and entered into between (1) the Company and (2) the Vendors relating to the Acquisition, further details of which are set out in paragraph 13.1.1 of Part VI of this document
“Act”	the Companies Act 2006
“Admission”	the admission of the Enlarged Issued Share Capital to trading on AIM becoming effective in accordance with the AIM Rules for Companies
“AIM”	the AIM market of the London Stock Exchange
“AIM Rules”	the AIM Rules for Companies and/or the AIM Rules for Nominated Advisers as applicable, published by the London Stock Exchange
“AIM Rules for Companies”	the rules for companies whose securities are admitted to trading on AIM published by the London Stock Exchange
“AIM Rules for Nominated Advisers”	the rules for nominated advisers setting out the eligibility, ongoing obligations and certain disciplinary matters in relation to nominated advisers published by the London Stock Exchange
“applicable employee”	as defined in the AIM Rules for Companies
“Business Day”	any day on which banks are generally open in England and Wales for the transaction of business, other than a Saturday, Sunday or public holiday
“Capital Reduction”	the reduction of capital proposed to be approved pursuant to Resolution 10 set out in the Notice of General Meeting
“certificated” or “in certificated form”	a share or other security which is not in uncertificated form (i.e. not in CREST)
“City Code” or “Takeover Code”	the City Code on Takeovers and Mergers
“Closing Price”	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
“Company” or “Ten Alps”	Ten Alps plc, a company incorporated in Scotland with registered number SC075133 with its registered office at 7 Exchange Crescent, Conference Square, Edinburgh, EH3 8AN
“Completion”	completion of the Proposals

“Concert Party”	Herald and the John Booth Parties, all of whom are regarded for the purposes of the Takeover Code as acting in concert (as defined by the Takeover Code)
“Corporate Governance Code”	the UK Corporate Governance Code issued from time to time by the Financial Reporting Council
“CREST”	the computerised settlement system to facilitate transfer of the title to an interest in securities in uncertificated form operated by Euroclear UK and Ireland Limited
“Debt Conversion”	the conversion of £1,983,938.70 (principal) of the Debt Facility, £3,542,500 (principal) under the Loan Notes by certain of the Debt Holders and £150,000 (principal) of the Short Term Debt together with £4,711.98 of accrued interest held by Herald, into the Debt Conversion Shares and into the Preference Shares, at the Issue Price, as described in Part I of this document
“Debt Conversion Shares”	the New Ordinary Shares to be issued pursuant to the Debt Conversion
“Debt Facility”	the debt facility as described in paragraph 13 in Part I of this document
“Debt Holders”	Herald, the John Booth Parties and Artemis Alpha Trust plc
“Deferred Consideration”	the deferred consideration of up to £1,500,000 payable by the Company to the Vendors upon satisfaction of certain trading performance targets which will be settled in cash, under the terms of the Acquisition Agreement
“Deferred Shares”	the non-voting deferred shares of 1.99 pence each in the capital of the Company proposed to be created as part of the Share Capital Reorganisation
“Directors” or “Board”	the directors of the Company at the date of this document, whose names are set out on page 10 of this document (each being a “Director”)
“Disclosure and Transparency Rules”	the disclosure and transparency rules issued by the FCA acting in its capacity as the competent authority for the purposes of Part VI of FSMA
“Enlarged Group”	the Company and its Subsidiaries (including, for the avoidance of doubt, Reef) on Completion
“Enlarged Issued Share Capital”	the 419,397,339 Ordinary Shares in issue on Admission, comprising the Existing Ordinary Shares as adjusted pursuant to the Share Capital Reorganisation and the New Ordinary Shares
“Enlarged Total Voting Rights”	the Existing Total Voting Rights as adjusted pursuant to the Share Capital Reorganisation and the 419,397,339 New Ordinary Shares with voting rights as at Admission
“equity securities”	as defined in section 560 of the Act
“EU”	European Union
“Existing Articles”	the articles of association of the Company as at the date of this document

“Existing Issued Share Capital” or “Existing Ordinary Shares”	the 276,666,012 Ordinary Shares in issue as at the date of this document
“Existing Total Voting Rights”	the 276,666,012 Ordinary Shares with voting rights as at the date of this document, being the Existing Issued Share Capital
“FCA”	the Financial Conduct Authority
“FCA Rules”	the rules for financial services firms published by the FCA
“Fee Shares”	the 23,750,000 New Ordinary Shares to be issued in settlement of fees pursuant to the Proposals
“Form of Proxy” or “Proxy Form”	the form of proxy accompanying this document for use in connection with the General Meeting
“FSMA”	the Financial Services and Markets Act 2000, as amended
“General Meeting”	the general meeting of the Company to be held at the offices of Nabarro LLP, 125 London Wall, London EC2Y 5AL at 9.00 a.m. on 10 July 2015, notice of which is set out at the end of this document
“Group”	the Company and its subsidiary undertakings from time to time
“Herald”	Herald Investment Trust plc and its associated parties, including Herald Investment Management Limited, Herald Venture Limited Partnership, Herald Venture Limited Partnership II and Herald Venture Limited Partnership III
“HMRC”	HM Revenue & Customs
“Independent Shareholders”	(i) in relation to Resolution 7 set out in the Notice of Meeting, the Shareholders, other than the Directors and (ii) in relation to Resolution 8 set out in the Notice of Meeting, the Shareholders other than Timothy Hoare and Bob Geldof and their related shareholdings
“Initial Consideration”	the initial consideration of £2 million payable in cash to the Vendors under the terms of the Acquisition Agreement
“ISIN”	International Securities Identification Number
“Issue Price”	2 pence per New Ordinary Share
“JBCF”	the John Booth Charitable Foundation
“John Booth”	John David Sebastian Booth, a substantial shareholder of the Company and a director of Herald Investment Management Limited
“John Booth Parties”	John Booth and JBCF
“Latest Practicable Date”	16 June 2015, being the latest practicable date for the inclusion of information in this document prior to its publication
“Lepe”	Lepe Partners LLP
“Lepe Option Shares”	the 2,766,660 New Ordinary Shares to be issued to Lepe, pursuant to an advisory agreement between Lepe and the Company dated 26 June 2014 (as amended), further details of which are set out in paragraph 13.1.5 of Part VI of this document

“LIBOR”	the London Interbank Offered Rate
“Loan Notes”	the Secured Loan Notes and Unsecured Loan Notes as described in paragraph 13 of Part I of this document
“Loan Note Consideration”	the interest-free loan notes of £1,500,000 (principal) issued by the Company to the Vendors which will be redeemed in cash or by the issue of Ordinary Shares, upon satisfaction of certain trading performance targets, under the terms of the Acquisition Agreement
“London Stock Exchange”	London Stock Exchange plc
“N+1 Singer”	Nplus1 Singer Advisory LLP, acting as nominated adviser and broker to the Company, and where the context allows, its affiliates
“New Articles”	the proposed new articles of association of the Company on Admission, a summary of which is set out in paragraph 6 of Part VI of this document
“New Board”	the Company's proposed board of directors following Completion, being Peter Bertram, Mark Wood, Nitil Patel, Luke Johnson and Jonathan Goodwin
“New Ordinary Shares”	each of the new Ordinary Shares comprising the Placing Shares, the Debt Conversion Shares, the Subscription Shares, the Lepe Option Shares and the Fee Shares
“Notice of General Meeting”	the notice convening the General Meeting which is set out at the end of this document
“Ordinary Shares”	the ordinary shares of 2 pence each in the capital of the Company prior to the Share Capital Reorganisation and the ordinary shares of 0.1 pence each in the capital of the Company following the Share Capital Reorganisation
“Placing”	the conditional placing by N+1 Singer on behalf of the Company of the Placing Shares at the Issue Price, in accordance with the Placing Agreement
“Placing Agreement”	the conditional agreement dated 16 June 2015 between the Company and N+1 Singer, relating to <i>inter alia</i> , the Placing, details of which are set out at paragraph 13.1.2 of Part VI of this document
“Placing Shares”	the 173,900,000 New Ordinary Shares to be issued by the Company following the Share Capital Reorganisation pursuant to the Placing at the Issue Price
“Preference Shares”	the convertible redeemable preference shares to be issued by the Company to Herald as part of the Debt Conversion
“Proposals”	the Acquisition, Share Capital Reorganisation, Debt Conversion, Placing, Subscription and issue of the Lepe Option Shares
“Proposed Directors”	the directors of the Enlarged Group to be appointed with effect from Completion, being Luke Johnson and Jonathan Goodwin (each a “Proposed Director”)
“Reef” or “Reef Television”	Reef Television Limited, a company incorporated in England and Wales with registered number 03500852 with its registered office at 3rd Floor, 141 Wardour Street, London W1F 0UT

“Resolutions”	the ordinary and special resolutions to be proposed at the General Meeting as set out in the Notice of General Meeting and “Resolution” shall mean any one of them
“Secured Loan Notes”	the secured loan notes as described in paragraph 13 in Part I of this document
“Share Capital Reorganisation”	the share capital reorganisation (being the proposed subdivision of the Existing Ordinary Shares into Deferred Shares and Ordinary Shares and the subsequent consolidation of the Ordinary Shares) as described in paragraph 11 in Part I of this document
“Shareholder”	a holder of Ordinary Shares from time to time
“Share Option Scheme”	the share option scheme described in paragraph 4 of Part VI of this document
“Short Term Debt”	the loans received by the Company on 24 July 2014 as described in paragraph 13.1.4(e) of Part VI of this document
“Subscription”	the conditional subscription for the Subscription Shares pursuant to the Subscription Agreement
“Subscription Agreement”	the conditional agreement dated 2 December 2014 (as amended) pursuant to which the Subscription Shares were committed to be subscribed for by way of direct applications to the Company
“Subscription Shares”	the 51,100,000 New Ordinary Shares to be issued to certain existing Shareholders and Directors of the Company pursuant to the Subscription Agreement
“subsidiary undertaking”	a subsidiary undertaking (as defined by section 1162 of the Act)
“substantial shareholder”	as defined in the AIM Rules for Companies
“Takeover Panel”	the Panel on Takeovers and Mergers
“UK” or “United Kingdom”	United Kingdom of Great Britain and Northern Ireland
“UK Listing Authority”	the FCA acting in its capacity of competent authority for the purposes of Part IV of FSMA
“uncertificated”	a share or security recorded in the Company’s register of members as being held in uncertificated form, title to which may be transferred by means of CREST
“Unsecured Loan Notes”	the unsecured loan notes as described in paragraph 13 in Part I of this document
“Vendors”	Richard Farmbrough, Lucy Farmbrough, Paul Hanrahan and Ben Weston
“Voting Record Time”	the voting record time as described in paragraph 19 in Part I of this document
“£” or “sterling”	UK pounds sterling

DIRECTORS, PROPOSED DIRECTORS, COMPANY SECRETARY AND ADVISERS

Directors	Peter Bertram, <i>Chairman</i> Mark Wood, <i>Chief Executive Officer</i> Nitil Patel, <i>Chief Financial Officer</i> Timothy Hoare, <i>Non-Executive Director</i>
Proposed Directors	Luke Johnson, <i>Non-Executive Director</i> Jonathan Goodwin, <i>Non-Executive Director</i>
Company Secretary	Nitil Patel
Registered Office	Exchange Crescent Conference Square Edinburgh EH3 8AN
Head Office	13th Floor Portland House Bressenden Place London SW1E 5BH
Nominated Adviser and Broker	Nplus1 Singer Advisory LLP One Bartholomew Lane London EC2N 2AX
Solicitors to the Company	Nabarro LLP 125 London Wall London EC2Y 5AL
Auditors and Reporting Accountants	Grant Thornton UK LLP 30 Finsbury Square London EC2P 2YU
Solicitors to the Nominated Adviser and Broker	Clyde & Co. LLP The St Botolph Building Houndsditch London EC3A 7AR
Registrars	Capita Asset Services The Registry 34 Beckenham Road Beckenham Kent BR3 4TU

PART I LETTER FROM THE CHAIRMAN OF TEN ALPS PLC

(incorporated and registered in Scotland with registered number SC075133)

Directors:

Peter Bertram, *Chairman*
Mark Wood, *Chief Executive Officer*
Nitin Patel, *Chief Financial Officer*
Timothy Hoare, *Non-Executive Director*

Head Office:

13th Floor
Portland House
Bressenden Place
London
SW1E 5BH

Proposed Directors:

Luke Johnson, *Non-Executive Director*
Jonathan Goodwin, *Non-Executive Director*

17 June 2015

Dear Shareholder,

Proposed Acquisition of Reef Television Limited
Proposed placing of 173,900,000 New Ordinary Shares at 2 pence per New Ordinary Share
Proposed subscription for 51,100,000 New Ordinary Shares at 2 pence per
New Ordinary Share
Proposed Share Capital Reorganisation, Debt Conversion (including the issue of
Preference Shares) and Capital Reduction
Proposed adoption of New Articles of Association
Admission of the Enlarged Issued Share Capital to trading on AIM and Notice of
General Meeting

1. INTRODUCTION

On 17 June 2015, the Company announced that it had agreed to acquire Reef Television Limited, an award-winning producer of innovative content for multiple broadcasters, for a total consideration of approximately £5 million (comprising £2 million initial consideration and deferred consideration of approximately £3 million plus an additional amount of earn-out consideration). The Company has conditionally raised £4.5 million (before expenses) by way of a Placing of 173,900,000 New Ordinary Shares and a Subscription of 51,100,000 New Ordinary Shares to fund the Acquisition and for working capital purposes generally. The Acquisition constitutes a reverse takeover of the Company for the purposes of the AIM Rules for Companies and therefore requires Shareholder approval at the General Meeting. The Issue Price of 2 pence per New Ordinary Share represents a 63.6 per cent. discount to the equivalent Closing Price (as adjusted by the Share Capital Reorganisation) of 5.5 pence per Ordinary Share on 29 May 2015, being the last dealing day in the Company's Ordinary Shares prior to their suspension from trading on AIM. N+1 Singer is acting as the Company's nominated adviser and broker.

The Company is also proposing to effect the Debt Conversion (which will result in a reduction of the Company's remaining long-term debt obligations to £2 million and a reduction in certain short-term debt obligations), the Share Capital Reorganisation and the Capital Reduction, as well as the adoption of the New Articles, all of which is subject to Shareholder approval at the General Meeting.

The Placing and the Subscription are conditional, among other things, on Admission becoming effective, the Placing Agreement between the Company and N+1 Singer becoming unconditional and not being terminated (in accordance with its terms) and the passing by the Shareholders of the Resolutions at the General Meeting. Subject to all relevant conditions being satisfied (or, if applicable, waived), it is expected that the New Ordinary Shares will be admitted to trading on AIM on or around 13 July 2015.

The purpose of this document is to explain the background to and reasons for the Proposals and the Capital Reduction and why the Directors consider the Proposals and the Capital Reduction to be in the best interests of the Company and its Shareholders as a whole and why the Directors unanimously recommend that you vote in favour of the Resolutions to be proposed at the General Meeting, notice of which is set out at the end of this document, as they have

irrevocably undertaken to do in respect of their beneficial holdings of 28,528,728 Existing Ordinary Shares, representing 10.31 per cent. of the Existing Issued Share Capital.

The contents of this letter are important and I would urge you to read it carefully and to complete, sign and return the enclosed Form of Proxy in accordance with the instructions given on it and in the paragraph below headed “Action to be Taken”, as soon as possible and in any event by no later than 9.00 a.m. on 8 July 2015.

2. BACKGROUND ON TEN ALPS

Ten Alps is a multimedia producer of high quality TV and radio programmes together with integrated publishing and communications content. The Company has recently undertaken a comprehensive process of restructuring to deal with underperforming units and appointed a new Chief Executive in December 2014 to develop and lead a strategy aimed at revenue and profit growth across all business sectors. The Company is now focused on achieving its performance targets and is expecting a return to profitable operations in the financial year ending 30 June 2016. It is also implementing plans to diversify revenues, bringing in new management talent in TV, growing digital and events revenues in publishing and developing new revenue streams around provision of digital content marketing and corporate communications services.

By continuing to implement the current plans and evolving the focus of the Group to the growth of quality, reliable revenues, the Directors believe that the Group’s assets in Broadcasting, Communications and Publishing will be significantly stronger, which should have a positive impact on value in the coming years. To ensure the Group is successful in the implementation and delivery of its growth strategies, it aims to increase investment in talent and develop its existing resources, as well as achieving growth through targeted acquisitions.

Broadcasting

The key aim of the Group’s broadcasting business remains that of producing high quality programming which is intelligent, engaging and entertaining and meets the needs of key broadcast customers. The Group’s three production units – Blakeway, Brook Lapping and Films of Record – have a reputation for quality programming in their own genres and count the BBC, ITV, Channel 4, Channel 5, Sky and Discovery among their long-standing clients.

The broadcasting business is also extending into new genres, including popular factual series, and aims to continue to increase its diversity and range. The division’s key performance indicators include core market growth, enhanced overall performance and investment opportunities. The Directors believe the Group is starting to make good progress by winning commissions not only in the United States but also in China, Japan and Korea, including a £2 million commission for a four-part series on US politics.

As the focus of the Group shifts to the quality of its revenues and the growth of its business, there will be a need to make strategic additions to its talent pool and reinforce areas such as business development teams. The Directors believe that this investment is of particular importance in its broadcasting department to ensure the Group can deliver the growth strategy of the division.

Communications

The Group’s communications division has a track record in managing corporate social responsibility websites and developing applications for global blue-chip organisations including BMW, Siemens, Nationwide and Transport for London. It is supported by a high-calibre team with web development, design, animation and account management skills.

The division has restructured its new business team and will be looking for further recruits in the coming months to grow key identified market sectors. It is in these key market sectors which the Company believes it has a clear advantage, thanks to its combination of high-level video and digital design skills in its core areas which include education, health, finance, employability, environment and safety. The division will also expand into new areas of activity including the provision of video, animation and editorial content for corporate websites and social media, with a view to expanding into the wider digital content marketing and corporate communications sphere.

Publishing

The division targets high-value business-to-business (“B2B”) audiences in finance, SME business, healthcare, pharmacy, farming, trade and logistics. While historically the business was primarily print-oriented, in recent months there has been success in developing digital channels and launching events as additional revenue streams. The Group continues to monitor advertising sales run-rates, the cost of selling and new business targets, as they remain critical to the division.

Over the last few years the Group has implemented a major rationalisation programme of this division and the Directors believe that the Group now has the right foundations to build upon. The Group has exclusively UK-based assets, managed by a focused and streamlined team that can seek to enhance the quality of the services it provides and to expand its offering further.

3. BACKGROUND TO THE ACQUISITION

The Company believes that a targeted acquisition of a similar business in the television industry that would complement its existing broadcasting business would give the Group significant opportunities for growth. The Directors have reviewed a number of potential opportunities and have entered into the Acquisition Agreement to acquire Reef Television, an award-winning producer of innovative content for multiple broadcasters in both peak time and daytime slots which has successfully made many hundreds of hours of factual programmes for clients including the BBC, Channel 4, Discovery, ITV, Channel 5 and UKTV.

Award-winning Reef creates formats and develops ideas across a range of factual and entertainment programmes, being especially strong in daytime UK TV, producing programmes such as *‘Put Your Money Where Your Mouth Is’*, *‘Penelope Keith’s Hidden Villages’* and *‘Selling Houses with Amanda Lamb’*. It also has an in-house production and editing facilities department that includes the latest camera technology and ten fully HD Avid suites.

The business generates revenue from a combination of factual and entertainment series and one-off production commissions, with the BBC and Channel 4 representing over 75 per cent. of its production sales in the year to 31 December 2014, and royalty revenue generated from the resale of its content to other broadcasters through distributors.

The Directors believe that the acquisition of Reef Television offers the Company increased high-quality day and peak time factual and entertainment TV output which would complement the Group’s existing factual TV base, which could bring new revenues and leverage higher margins from improved utilisation of existing infrastructure.

Terms of the Acquisition

It is proposed that Reef Television will be purchased for the Initial Consideration of £2 million payable in cash, subject to a post-Completion net asset adjustment (upwards or downwards), Loan Note Consideration of up to £1.5 million, Deferred Consideration of up to £1.5 million and an additional amount of earn-out consideration. The Loan Note Consideration and the Deferred Consideration will be settled in cash or Ordinary Shares, at the Company’s discretion, subject to a maximum of 50 per cent. of the Loan Note Consideration and the Deferred Consideration being able to be settled in Ordinary Shares. Any issue of new Ordinary Shares to the Vendors will be subject always to the resultant shareholding of the Vendors being not greater than 29.99 per cent. of the issued share capital of Ten Alps, as enlarged by the issue of that tranche of Ordinary Shares. The Ordinary Shares will be valued at the average mid-market closing share price of the Company over the five Business Days prior to the finalisation of the relevant accounts.

The Loan Note Consideration is redeemable and the Deferred Consideration is payable in three tranches of up to £500,000 each, subject to the level of gross profitability of Reef Television for the financial years ended 30 June 2016, 30 June 2017 and 30 June 2018. In respect of the 2016 financial year, the maximum Loan Note Consideration and Deferred Consideration payment of £1,000,000 is subject to Reef Television achieving at least £1,800,000 in gross profits and to be adjusted downwards thereafter on a straight-line basis to a minimum level of £1,500,000, below which point none of the first tranche of Loan Note Consideration and Deferred Consideration will be paid. The same performance metrics will apply to the second and third tranches of Loan Note Consideration and Deferred Consideration due in respect of the 30 June 2017 and 2018 financial years, with the target gross profit ranges of £2,000,000 to £1,500,000 and £2,200,000 to £1,500,000, respectively.

If there is an over-achievement in either of the 2016 or 2017 years the excess will be carried forward to the next financial year of assessment and if there is an over-achievement in either of the 2017 or 2018 years the Vendors will have the ability to claim back amounts not paid due to under-performance in previous years.

An additional amount of earn-out consideration is payable by the Company if the aggregate gross profit for the three years exceeds £6 million. Subject to certain conditions, the Company will pay 50 per cent. of such gross profit excess to the Vendors in either cash or by the issue of Ordinary Shares (in respect of up to 50 per cent. of this additional consideration) at the Company's option.

Completion of the Acquisition is conditional upon approval of the Proposals by Shareholders at the General Meeting.

4. FINANCIAL INFORMATION ON REEF

The following financial information relating to Reef has been extracted from the Historical Financial Information set out in Part IV of this document:

	<i>Year ended 31 December 2014 £'000</i>	<i>Year ended 31 December 2013 £'000</i>	<i>Year ended 31 December 2012 £'000</i>
Revenue	5,735	3,833	4,062
Gross profit	1,489	1,037	1,105
Profit before tax	470	147	300
Total equity and liabilities	1,679	1,663	808

5. TELEVISION MARKET OPPORTUNITY AND REASONS FOR THE ACQUISITION

The Enlarged Group will be a medium-sized independent television producer at a time when the demand for 'indie' programming is steadily growing, with the market showing every sign of continued expansion in the future.

In the UK, one key factor driving growth in the industry is a commitment by mainstream broadcasters, including the BBC, Channel 4, Channel 5 and Sky, to maintain or increase spending on outsourced commissioned programming. The BBC has also indicated that as part of organisational restructuring in its programming areas, it will significantly increase the opportunities for outside suppliers to pitch for the new production commissions, which is expected to impact from 2017 onwards.

Furthermore, the number of channels and platforms commissioning factual productions is increasing and there has been a marked increase in the level of interest in high-end factual programming worldwide as audience demand has grown. Sky and Al Jazeera, who are both existing customers of the Group, have increased their spending in this area, whilst Netflix has recently commissioned a major factual series and indicated it will continue to invest in this area. With a strong track record in each of its programme-making units, the Group is now able to win commissions outside the UK on the strength of a reputation for high-quality editorial and visual content, coupled with dependability in terms of delivery times. The Group has recently produced documentaries for broadcasters in the US, China, Japan and Korea.

The Directors believe the Acquisition will add strength and experience in daytime TV programming, an area which has shown consistent growth, and in popular factual formats and series. The production of series delivers higher margins than one-off programmes and the addition of Reef's commercial and production skills will help focus the business on pitching for more of this kind of business.

The combined business will benefit from a significantly larger catalogue of current and past programming which can be sold into other broadcast and digital markets worldwide. The Directors intend to focus on selling formats as well as produced programmes, while with additional investment in commercial resource the Enlarged Group will be in a position to address opportunities for growth in the US market, where the appetite for UK-made programming is strong.

As a producer of approximately 300 half hours of new programming a year, the Directors believe that the television division within the Enlarged Group will be seen as a serious partner by major UK broadcasters, which will pave the way for more ambitious, larger-budget pitches. The three core Ten Alps production houses – Blakeway, Brook Lapping and Films of Record – have outstanding reputations for high-quality factual programming and documentaries, while the addition of Reef diversifies and further strengthens the offering, with experience in daytime and factual entertainment formats.

6. STRATEGY OF THE ENLARGED GROUP

The Board aims to focus the Enlarged Group to grow revenues in the expanding, high-margin television and digital content markets. The Board intends to utilise a portion of the net proceeds of the Placing to bring in the commercial and creative talent needed to drive organic growth and will continue to review further opportunities for inorganic growth through strategic acquisitions, where it sees relevant opportunities at acceptable valuations.

Television

As well as creating a TV business with suitable scale, the Acquisition brings with it a strong, commercial management team, which can help to strengthen the strategy and ambitions of the broader TV business. There will be a drive to pitch for larger-budget, repeatable series across serious factual and factual entertainment programming. Another objective will be to increase significantly non-UK revenues through co-production partnerships, target growth in royalty revenues through sale of current and past catalogues on a more ambitious scale and a drive to sell series and formats into other major markets, including the US.

Communications

The second strand of the new strategy is to make the Enlarged Group a bigger player in the fast-growing corporate and commercial market for high-quality digital content. Already an established offering in the US, the trend for investing in image-rich website and active social media management is growing in the UK. The Group intends to expand into content marketing, brand building and corporate communications, targeting large-scale international organisations seeking high-quality content and editorial production.

As a foundation to this strategy, the Group is continuing to build its digital offering by developing its own digital programme platform. This will build experience in targeting younger demographics and will also assist in pitching for larger-scale commissions, which can require digital and social media management as well as programme delivery.

The Group already has experience developing and managing websites and applications for major organisations including BMW, Nationwide, Sanofi and Siemens. The Company recently renewed its contract with Transport for London to create and manage its London-centric digital road safety education campaign for pre-school children. At £1 million per annum, the contract value represents an increase of 30 per cent. over the previous contract and covers a period of 3.5 years.

By combining existing web and application management skills with market-leading video skills, the Directors believe that the Group is in a strong position to pitch to major corporates and other organisations to manage video-based content marketing and corporate communications. The Group's digital team works across all sectors of the business and an area of focus will be to add new digital and social media management skills as digital revenues increase. As more UK organisations seek to upgrade their websites and develop more pro-active message management and storytelling, both online and through other channels, the demand for such services is starting to grow. The Company has already established new commercial relationships with large-scale global organisations in this area and will aim to build on its early successes.

Publishing

The Group's publishing business is focused on B2B audiences in a number of high-value areas, including finance, SME management, pharmaceuticals, farming and trade. In a series of recent divisional changes, the Group has redesigned and relaunched core print titles, developed websites and made provision for the delivery of its content to mobile devices, in addition to building event revenues with awards and specialised conferences. The aim is to increase the size and value of the specialist audiences targeted in each of these areas and to build steadily on these high-value databases.

Another area for potential growth in revenues and increase in profit margin is in the provision of planning guides and trader directories to households across the UK. This section of the Group's business, with revenues of more than £1.7 million per annum, is managed in partnership with the local authority building control under a five year contract renewed in October 2014, which coordinates activities across all UK local authorities. The division is now focused on accelerating a transition from provision of printed booklets to populating the Group's proprietary "Home and Build" website, which is targeted to become a large-scale directory of 'trusted' local trades people which have local authority endorsement.

With a commitment to focusing investment and management time on the most promising areas of growth, the Board will continue to be receptive to approaches concerning non-core areas of activity. A key objective is to create greater value in all products and operations by ensuring they are high-quality, profitable, digitally-focused and of increasing importance to their customers.

7. COMPETITION

Television

There are a number of programme makers in the UK television production market of a similar scale as the Enlarged Group (i.e. generating revenues of up to £30 million). From this group, the Directors consider the direct competitors to the Enlarged Group to be those producing programmes ranging from high-end documentary to popular factual series, include Boomerang, Lion Television, Betty TV, ITN Productions and Mentorn Media. There are also a number of larger groups (i.e. generating revenues of more than £30 million) which produce factual programming as part of a broader portfolio, including Carnival (owned by NBC), Thames TV, Tiger Aspect, Twofour and Shine TV.

The competitors against which Ten Alps and Reef compete on pitches for specific commissions differs depending on the individual pitch. Ten Alps and Reef will also often be competing against much smaller, niche producers with expertise in particular areas. Differentiating factors determining the success of a pitch tend to be the track record in delivering programmes which provide high ratings, dependability in terms of quality and creativity and a reputation for on-time, on-budget delivery. The Directors anticipate that the majority of mainstream programme makers will be competing for the additional outsourced programme budgets which the BBC is expected to allocate if it implements proposals it recently announced to outsource more of its programming budget to the independent sector from 2017. Ten Alps and Reef both have long-standing relationships with the BBC and the Directors believe the Enlarged Group should be in a positive position competitively.

Communications

The digital content marketing and communications areas are evolving and changing rapidly. A direct competitor to Ten Alps in this space is Vice Media, the US-based group also active in programme production, publishing and news coverage, which has been developing video-based content marketing as a business for more than 15 years. ITN Productions are also producing content marketing video. There are many other businesses competing in this market including mainstream advertising agencies, such as Ogilvy and CHI & Partners, and public relations agencies, such as Edelman, which have developed their own digital and video content marketing teams. Companies with a history in contract publishing, such as John Brown Media and Seven, have also added content marketing teams with a view to competing in this space. However, the Directors believe that the Enlarged Group will be able to combine its video, story-telling and digital design skills in a way few competitors can match, with only Vice Media and ITN Productions having comparable video news/documentary capability.

Publishing

A number of different UK publishers are active in the B2B sectors in which the Group operates. Centaur, Wilmington, Incisive Media, Tarsus Group and Briefing Media are active competitors and operate on a larger scale, targeting print publications, websites and events at very similar audiences. The Group's focus is on identifying narrower, specialist niches within its individual sectors where it can develop website content, conferences and events to attract and build loyalty among a high-value audience.

8. CURRENT TRADING AND PROSPECTS

Ten Alps

The interim results for the six months ended 31 December 2014, as announced on 30 March 2015, showed revenue from continuing operations of £10.17 million (2013: £11.71 million) with an EBITDA loss of £0.64 million (2013 loss: £0.53 million). The operating loss was £0.73 million (2013 loss: £0.71 million). Net loss was £1.0 million (2013 loss: £1.01 million) before a disposal gain of £Nil (2013: £0.24 million) in the period.

As part of the restructuring process, the Group has reduced its cost base and focused the business on high quality media sectors particularly in TV and content marketing. Furthermore, as part of the Proposals, the Directors intend to reduce the Group's debt position considerably, leaving it in a stronger financial position. Whilst there is still work to do, the first six months of the current financial year have put the Group in better shape to meet the challenges it has faced and to take advantage of emerging opportunities, a position which will be strengthened further through the implementation of the Proposals. The Board continues to believe that the measures taken have placed the Group in a stronger position to benefit from the opportunities the media sector offers.

Reef

Reef's audited results for the year ended 31 December 2014 showed revenue from continuing operations of £5.74 million (2013: £3.83 million) with EBITDA of £0.52 million (2013: £0.20 million). The operating profit was £0.47 million (2013: £0.15 million). Net profit was £0.37 million (2013: £0.11 million). Gross margins were 25.96 per cent. in 2014 (2013: 27.05 per cent.) and net margin was 6.42 per cent. (2013: 2.87 per cent.). Reef has continued to trade satisfactorily through the first half of 2015.

Enlarged Group

The Directors and Proposed Directors expect that the combined sales, technical and operational resources available to the Enlarged Group following Completion. Ten Alps is now well positioned to execute its strategy as a multi-platform producer with a focus on both television production and on high-quality digital content creation, including corporate communications and content marketing which will enable it to grow organically and via selective acquisitions.

9. DIRECTORS AND PROPOSED DIRECTORS

Directors

Details of the current Directors of Ten Alps are as follows:

Peter Bertram, Chairman

Peter is currently Non-executive Chairman of Phoenix IT Group plc and Senior Independent Non-executive Director of Microgen plc. He was previously Chairman of Alphameric plc and AttentiV Systems Group plc and also a Non-executive director of Anite plc and Psion plc. Peter was chief executive of Azlan Group plc from 1998 until its takeover in 2003. He is a fellow of the Institute of Chartered Accountants in England and Wales.

Mark Wood, Chief Executive Officer

Mark Wood is Chief Executive of Ten Alps. Mark is known in the media industry for his digital expertise and for refocusing traditional media businesses. He was Chief Executive at Future from 2010 to 2014 and accelerated the growth of Future's digital business. Future was named Consumer Digital Publisher of the Year in the industry's annual awards three years in succession from 2011. Mark was Chief Executive of ITN, the television news organisation, from 2002 to 2010, where he developed a range of digital ventures, including a leading online image business. He began his career as a foreign correspondent for Reuters and was based in Berlin, Moscow, Bonn and Vienna. Mark is a director of Future plc and Citywire Holdings Limited and is a member of the PwC Advisory Board.

Nitil Patel, Chief Financial Officer

Nitil has been a key member of the team from the inception of Ten Alps. He worked with Sayers Butterworth before joining TV production business Planet 24, where he worked as an accountant on

productions such as the Big Breakfast. He is a member of the Institute of Chartered Accountants in England and Wales.

Timothy Hoare, Non-Executive Director

An investment banker, Timothy Hoare was the Chairman of Canaccord Genuity Limited until July 2013. Since then he has assumed a role on Canaccord Financial's Global Advisory Board. He also has substantial experience in the financing of mining and media companies. He is currently a partner at Hannam & Partners.

It has been agreed that Timothy Hoare will resign as a Director immediately following the conclusion of the General Meeting.

Proposed Directors

It is proposed that the following will be appointed to the Board of the Company, with effect from Completion:

Luke Johnson, Proposed Non-Executive Director

Luke Johnson is the Chairman of private equity house Risk Capital Partners LLP. He is Chairman and part-owner of Patisserie Holdings plc and Bread Ltd. He is also Chairman and majority owner of cruise holiday website operator Cruise.co.uk and Neilson Active Holidays. In 1993, Luke took control of Pizza Express with partners, subsequently becoming Chairman, and grew the business from 12 owned restaurants to over 250, and the share price from 40p to over 900p. Luke was Chairman of Channel 4 from January 2004 to January 2010, during which time he appointed a new CEO, restructured the board and saw the organisation enjoy record ratings, revenues and surplus.

Jonathan Goodwin, Proposed Non-Executive Director

Jonathan Goodwin founded Lepe Partners in 2011. Lepe Partners is a merchant bank created to help entrepreneurs and CEOs in the media, consumer and internet sectors grow their businesses. Prior to founding Lepe, Jonathan was CEO and Co-founder of LongAcre Partners, where he built the company into Europe's leading mid-market media and corporate finance house prior to selling it to Jeffries in 2007. To date, Jonathan has advised on over 100 transactions in the media and internet space. In 2006, Jonathan created the Founders Forum, an entrepreneur's event held annually in London, New York, Brazil and India. In 2009, Jonathan also Co-Founded PROfounders Capital, an early stage fund backed by entrepreneurs for digital entrepreneurs. Previously, Jonathan focused on the media sector at Apax Partners and later joined the MBI team of Talk Radio, backed by News Corporation and Liberty Media. Talk Radio then became the foundation for The Wireless Group PLC, where Jonathan was Group Managing Director. Jonathan is also currently on the advisory board of Opera Solutions and Kelkoo.

Key Reef Management

Richard Farmbrough, CEO

Richard Farmbrough founded Reef Television in March 2003. After graduating from Durham University and completing a post-graduate course at the Courtauld Institute, Richard started his career in BBC Entertainment. He then moved to the in-house arts department, working on programmes such as The Story of Painting, Bookworm and Home Front. He was previously at Talkback Productions, where he directed the Bafta-nominated first series of Channel Five's 'House Doctor', as well as co-creating and producing the hit show 'Your Money or Your Life'. Richard produced 'The Art Club' for CNN and was Executive Producer at Spire Films where he made 'Return of the Architect' for BBC Four.

At Reef, Richard is responsible for developing company strategy and heading up senior management. He has been Executive Producer on most Reef projects and currently oversees the company's programme development. On completion, Richard will hold the position of Commercial Director of the Ten Alps Television division in addition to CEO of Reef Television.

Paul Hanrahan, Managing Director

Paul's career in television has included roles as head of production, unit manager and he has been a production manager for many of the major broadcasters. During his time at Reef Television, Paul received a Broadcast 'Hot Shot' award in 2005, which acknowledges emerging talent within the industry. Paul is

also a member of the council of PACT, the trade association representing the commercial interests of UK independent television, film, digital, children's and animation companies, having served since 2013, with a particular interest in ensuring that the rights and revenue streams of all independents are protected.

Paul has operational responsibility for the day-to-day running of Reef including specific responsibilities for business, legal and financial affairs. Other responsibilities include managing Reef's intellectual property. With a strong knowledge of the international market place, he works closely with both distributors and international broadcasters.

10. PRINCIPAL TERMS AND CONDITIONS OF THE ACQUISITION

On 16 June 2015, the Company entered into the Acquisition Agreement with the Vendors, as detailed in paragraph 13.1.1 of Part VI of this document, pursuant to which the Company has agreed to acquire the entire issued share capital of Reef for an initial consideration of £2 million with Loan Note Consideration and Deferred Consideration, dependent upon the performance of the business, of up to £3 million, of which up to 50 per cent. will be satisfied by the issue of new Ordinary Shares, at the Company's discretion, with the remaining Loan Note Consideration and Deferred Consideration being settled in cash. An additional amount of earn-out consideration will be paid if an amount in excess of a £6 million gross profit target is met with 50 per cent. of such excess gross profit payable to the Vendors in cash and Ordinary Shares.

Completion of the Acquisition Agreement, as detailed in paragraph 13.1.1 of Part VI of this document, is conditional, amongst other things, upon the Placing Agreement becoming unconditional in all respects.

11. SHARE CAPITAL REORGANISATION

Under the Act, a company is not allowed to issue shares at a price per share which is lower than the nominal value of its shares. On the last dealing day in the Company's Ordinary Shares prior to their suspension from trading on AIM, the Company's Closing Price was 0.55 pence per Existing Ordinary Share, which is below the current nominal value of the Existing Ordinary Shares, being 2 pence per share. Accordingly, subject to Shareholder approval, the Directors propose to reorganise the Company's share capital as explained below, with a view to reducing the nominal value of the Ordinary Shares.

Pursuant to the Share Capital Reorganisation, it is proposed that each Existing Ordinary Share with a nominal value of 2 pence will be sub-divided and redesignated into one Ordinary Share of 0.01 pence and one Deferred Share of 1.99 pence. Immediately after such sub-division and redesignation, it is proposed that, the Ordinary Shares will be subject to a 10 for 1 consolidation resulting in Ordinary Shares of the Company with a nominal value of 0.1 pence each.

Save as explained below with regards to fractional entitlements, following the Share Capital Reorganisation each Shareholder will hold such number of Ordinary Shares as is equal to 10 per cent. of the number of Existing Ordinary Shares that he or she held immediately beforehand, with a nominal value per Ordinary Share of 0.1 pence.

With regards to fractional entitlements, where such consolidation results in any member being entitled to a fraction of a share, such fraction shall, so far as is possible, be aggregated with the fractions of Ordinary Shares to which other members of the Company may be entitled. It is proposed that the Directors will be authorised to sell (or appoint any other person to sell) to any person, on behalf of the relevant members, all the Ordinary Shares representing such fractions at the best price reasonably obtainable to any person and to distribute the net proceeds of sale of such Ordinary Shares (less expenses) representing such fractions in due proportion amongst the persons entitled (except that if the amount due to a person is less than £5 the sum may be retained for the benefit of the Company).

It is proposed that the Ordinary Shares resulting from the Share Capital Reorganisation will have exactly the same rights as those currently accruing to the Existing Ordinary Shares under the Existing Articles, including those relating to voting and entitlement to dividends.

The Deferred Shares will have very limited rights and will effectively be valueless. They will have no voting rights and will have no rights as to dividends and only very limited rights on a return of capital. They will not be admitted to or listed on any stock exchange and will not be freely transferable. The rights attaching to

the Deferred Shares are set out in the New Articles. The Directors intend to cancel the Deferred Shares as part of the Capital Reduction, as contemplated by Resolution 11.

Resolution 2 contained in the Notice of General Meeting at the end of this document will, if passed by Shareholders, effect the proposed Share Capital Reorganisation as detailed above. If approved, the record date for the Share Capital Reorganisation will be at 6.00 p.m. on 10 July 2015 and admission to trading and dealings in the new Ordinary Shares arising from the Share Capital Reorganisation will become effective at 8.00 a.m. on 13 July 2015.

New share certificates in respect of the New Ordinary Shares are expected to be posted at the risk of Shareholders by 20 July 2015 to those Shareholders who hold their shares in certificated form. These will replace existing certificates which should then be destroyed. Pending the receipt of new certificates, transfers of New Ordinary Shares held in certificated form will be certified against the Register.

For Shareholders who hold their entitlement to New Ordinary Shares in uncertificated form through CREST, application will be made for the New Ordinary Shares, arising as a result of the Share Capital Reorganisation to be credited to the relevant CREST accounts on 13 July 2015.

CREST accounts of Shareholders will not be credited in respect of any entitlement to Deferred Shares.

The Company's ISIN and SEDOL will change as a result of the Share Capital Reorganisation, with effect from 13 July 2015, and the Ordinary Shares will be quoted and traded in Pounds Sterling. The new ISIN will be GB00BX7RGN99 and the new SEDOL will be BX7RGN9.

12. THE PLACING AND SUBSCRIPTION

The Placing

The Company is proposing to raise approximately £3.5 million (before expenses) through the placing by N+1 Singer, as agent of the Company, of the Placing Shares at the Issue Price. The Issue Price represents a discount of 63.6 per cent. to the equivalent Closing Price (as adjusted by the Share Capital Reorganisation) of an Ordinary Share on the last dealing day in the Company's Ordinary Shares prior to their suspension from trading on AIM.

The Placing has been undertaken pursuant to the Placing Agreement. Under the terms of the Placing Agreement, N+1 Singer has agreed to use its reasonable endeavours to procure institutional and other investors to subscribe for the Placing Shares. The Placing is not being underwritten.

The Placing Agreement is conditional on, amongst other things:

- the passing of the Resolutions (without amendment) at the General Meeting; and
- Admission becoming effective by not later than 8.00 a.m. on 13 July 2015 (or such later time and/or date as the Company and N+1 Singer may agree (being not later than 8.00 a.m. on 31 July 2015)).

The Placing Agreement contains certain warranties given by the Company in favour of N+1 Singer in relation to, *inter alia*, certain matters relating to the Group and its business. In addition, the Company has agreed to indemnify N+1 Singer in respect of certain liabilities it may incur in respect of the Placing. N+1 Singer has the right to terminate the Placing Agreement in certain circumstances prior to Admission, in particular, in the event of a material breach of the warranties.

It is expected that the Placing Shares will be allotted and issued at 8.00 a.m. on 13 July 2015, subject to Admission.

The Subscription

In December 2014, the Company entered into the Subscription Agreement with certain existing Shareholders and Directors, including Peter Bertram, Mark Wood, Nitil Patel and Timothy Hoare (together, the "Investors"), to subscribe, at the Company's option and discretion, for new Ordinary Shares up to an aggregate value of approximately £1 million.

The Company has now served written notice to the parties of the Subscription Agreement on 29 May 2015 and, accordingly, resolved to issue to the Investors 51,100,000 New Ordinary Shares at the Issue Price. The participation of the Directors in the Subscription is subject to the Independent Shareholders passing Resolution 7 in the Notice of General Meeting.

Use of Proceeds

The Company is proposing to raise gross proceeds of approximately £4.5 million from the issue of the Placing Shares and Subscription Shares. Ten Alps intends to use the net proceeds of the Placing and Subscription of approximately £4 million (after associated cash costs of approximately £0.5 million) for the following purposes:

- internal investment in TV, content marketing and storytelling (up to approximately £0.6 million);
- to fund the initial consideration payable in respect of the Acquisition of £2 million; The participation of the Directors in the Subscription is subject to the Independent Shareholders passing Resolution 7 in the Notice of General Meeting; and
- provide general working capital to the Group (up to approximately £1.4 million).

The expected use of the net proceeds of the Placing Shares and the Subscription Shares referred to above represents the Directors' current intentions based on the Company's present plans and business condition. The Company will retain broad discretion in the allocation and use of the net proceeds.

If Shareholders were not to approve the Resolutions at the General Meeting which will give the Directors the required authority to allot the Placing Shares and the Subscription Shares and to disapply the statutory pre-emption rights, the Placing would not proceed, and the Company would therefore use its existing authorities to allot the Subscription Shares (provided that the Independent Shareholders have passed Resolution 7) and only receive approximately £1 million (gross) from the Subscription Agreement.

13. DEBT REPAYMENT AND CONVERSION

Background

The Company currently has three tranches of long-term debt obligations outstanding, totalling £9.06 million, including interest accrued to date.

In April 2012, as part of a debt restructuring and equity fundraising, the Debt Holders assumed an outstanding debt facility held by the Company at the time with Bank of Scotland plc (the "Bank"), with a balance of approximately £4.43 million (the "Debt Facility"). As part of the transfer, the Debt Holders assumed an interest rate of 4 per cent. per annum above monthly LIBOR, consistent with the terms of the Debt Facility, but security previously held by the Bank was released and the only security provided was held in respect of the Secured Loan Notes, described in more detail below. The Debt Facility is repayable in full on 11 February 2016 and the outstanding balance (including accrued interest) as at the date of this document is £4.68 million.

In December 2010 (the terms of which were amended and restated in June 2011 and March 2013), the Company issued secured loan notes of approximately £2.1 million to Herald (the "Secured Loan Notes"), the proceeds of which were used for general working capital requirements. The Secured Loan Notes are secured by a fixed and floating charge over the assets of all Group companies but are subordinated to the Debt Facility. Interest is charged at a rate of 6 per cent. per annum above monthly LIBOR with a repayment date of 31 March 2016.

In March 2013 and September 2013, the Company issued unsecured loan notes of approximately £192,500 and £1.25 million, respectively, to Herald, to be used to fund business development and for general working capital requirements (the "Unsecured Loan Notes"). Interest is charged monthly at a rate of 6 per cent. over LIBOR with a repayment date of 31 March 2016.

The aggregate outstanding balance in respect of the Secured Loan Notes and the Unsecured Loan Notes as at the date of this document is £4.38 million (including accrued interest).

Terms of the Debt Conversion

As part of the Company's negotiations with the Debt Holders to reduce its outstanding debt obligations, certain Debt Holders have agreed to waive interest accrued to date in respect of the Debt Facility and the Loan Notes amounting to approximately £1.02 million in aggregate. In addition, when assuming the Debt Facility from the Bank, the Debt Holders agreed to a schedule setting out staged diminishing reductions in the outstanding principal amount due for early repayment. As such, the outstanding principal due in respect of the Debt Facility will be reduced from a total of £4.43 million to approximately £4.00 million if the Proposals are approved by Shareholders.

The Company is proposing to convert a total of approximately £2.80 million of the remaining outstanding debt (comprising approximately £1.98 million of the Debt Facility and approximately £0.82 million of the Loan Notes) by way of the issue of the Debt Conversion Shares at the Issue Price. The Company is also proposing to convert approximately £2.72 million of the remaining outstanding debt of the Loan Notes by way of the issue of the Preference Shares. In addition, the Company has agreed to issue 31,762 Preference Shares to JBCF. Furthermore, the Company is also proposing to repay £16,258 of its outstanding debt obligations, following completion of the Debt Conversion, and £63,505 of interest accrued to date in respect of the Debt Facility from the proceeds of the Placing. As a result, the Company will have remaining long term debt obligations of £2 million, comprising the Debt Facility only, of which £1 million will be owed to Herald and £1 million will be owed to the John Booth Parties, which will continue on the existing terms save that the repayment date will be extended from 11 February 2016 to 31 December 2017.

Short Term Debt

In addition to its current long term debt obligations, the Company owes the Short Term Debt with principal of £250,000 to Herald, Artemis Alpha Trust plc and Banque Heritage SA, attracting an interest rate of 3 per cent. above monthly LIBOR. As at the Latest Practical Date the principal and accrued interest amounted to £257,933.60. The Company is proposing to convert £150,000 of principal of the Short Term Debt held by Herald, together with accrued interest amounting to £4,712 by way of the issue of the Preference Shares. The Short Term Debt is due on 30 June 2015 and the Directors intend to repay the remaining obligations, held by Artemis Alpha Trust plc and Banque Heritage SA and amounting to £103,221 of principal and accrued interest, on such date from working capital.

Preference Shares

The principal terms of the Preference Shares are as follows:

- (a) they are convertible at 2.5 pence per Ordinary Share at the holder's option (which would give rise to the issue of 116,345,240 new Ordinary Shares if the Preference Shares were completed in full and no dividend had accrued);
- (b) they are redeemable at the Company's option on the date falling five years after their issue;
- (c) they have a dividend of 4.5 per cent. per annum (which increases to 13.5 per cent. per annum if they are not converted or redeemed within five years of their issue) which is payable on 31 July each year, or accrued and repayable when the Preference Shares are converted or redeemed; and
- (d) they are freely transferable.

Further details on the terms of the Preference Shares can be found at paragraph 6.1.2 of Part VI of this document.

14 LEPE OPTION SHARES

The Company engaged Lepe in June 2014 to assist it with its acquisition strategy. Pursuant to its terms of engagement, Lepe will be issued with 2,766,660 New Ordinary Shares as part of the Proposals. Further details of the Lepe engagement letter are set out in paragraph 13.1.5 of Part VI of this document.

15. DILUTION

Shareholders who are not participating in the Placing, Subscription, Debt Conversion or subscribing for Lepe Option Shares will be diluted by approximately 93 per cent. following completion of the Proposals.

16. CAPITAL REDUCTION

In order to create distributable reserves which will allow the Company to pay dividends in future should the Directors choose to do so, the Company is proposing to reduce the Company's share capital and share premium account as set out in Resolution 10 of the Notice of General Meeting. Following shareholder approval, the Company will seek the approval of the Court of Session in Scotland to the Capital Reduction and, if granted, the Company expects the Capital Reduction to be effective on or around September 2015.

17. RULE 9 OF THE CITY CODE ON TAKEOVERS AND MERGERS (THE "TAKEOVER CODE")

The Company is registered in Scotland and Shareholders are protected under the Takeover Code.

Under Rule 9 of the Takeover Code, where any person acquires, whether by a single transaction or a series of transactions over a period of time, interests in securities which (taken together with securities in which he is already interested and in which persons acting in concert with him are interested) carry 30 per cent. or more of the voting rights of a company which is subject to the Takeover Code, that person is normally required by the Takeover Panel to make a general offer to all the remaining shareholders of that company to acquire their shares. Similarly, when any person individually or a group of persons acting in concert, already holds interests in securities which in aggregate carry not less than 30 per cent. of the voting rights of such a company but does not hold shares carrying more than 50 per cent. of such voting rights, that person may not normally acquire further securities without making a general offer to the shareholders of that company to acquire their shares. An offer under Rule 9 must be made in cash and at the highest price paid by the person required to make the offer, or any person acting in concert with him, for any interest in shares of the company during the 12 months prior to the announcement of the offer.

Under the Takeover Code, a concert party arises where persons acting together pursuant to an agreement or understanding (whether formal or informal and whether or not in writing) co-operate to obtain or consolidate control of the company. Control means an interest or interests in shares carrying in aggregate 30 per cent. or more of the voting rights of the company, irrespective of whether the holding or holdings give de facto control. Herald Investment Trust plc, Herald Investment Management Limited, Herald Venture Limited Partnership, Herald Venture Limited Partnership II and Herald Venture Limited Partnership III are deemed to be acting in concert (as defined in, and for the purposes of, the Takeover Code) by reason of the investments of each such entity being managed since their inception by Herald Investment Management Limited. Directors and key employees of Herald are also deemed to be in concert with them. John Booth, a director of Herald, holds Ordinary Shares directly in his own name and beneficially through JBCF.

In 2012, the Company completed a conditional subscription to raise £3 million to expunge certain bank debt facilities and fund working capital. The conditional subscription included participation by the Concert Party and, as a result of which, took the Concert Party's beneficial interest to an aggregate of 115,055,978 Ordinary Shares, representing approximately 45.56 per cent. of the then issued share capital, as enlarged by the subscription. Under such circumstances, the Concert Party would normally be obliged to make a general offer, pursuant to Rule 9, to all other Shareholders to acquire their Ordinary Shares.

At the time, the Takeover Panel agreed to waive the obligation of the Concert Party to make a general offer, subject to approval of the independent shareholders (being the then Shareholders of the Company with the exception of the Concert Party), which was obtained at a general meeting of the Company held on 25 April 2012. Any further increases in the Concert Party's interests in Ordinary Shares beyond the level currently held will be subject to the provisions of Rule 9.

Following the implementation of the Proposals, the Concert Party will be interested in an aggregate of 172,016,777 Ordinary Shares, amounting to 41.02 per cent. of the Enlarged Issued Share Capital. In addition, Herald will hold 2,876,869 Preference Shares and JBCF will hold 31,762 Preference Shares, which are not aggregated with the holdings of Ordinary Shares for the purposes of the Takeover Code as they are non-voting.

18. RELATED PARTY TRANSACTIONS

The following elements of the Proposals constitute related party transactions for the purposes of Rule 13 of the AIM Rules.

Debt Conversion

The Debt Conversion constitutes a related party transaction by virtue of the issue of the Debt Conversion Shares and Preference Shares to Herald and to the relevant John Booth Parties, all of whom are substantial shareholders of the Company.

Placing and Subscription

The issue of the Subscription Shares under the terms of the Subscription Agreement constitutes a related party transaction by virtue of the issue of the Subscription Shares to Peter Bertram, Mark Wood, Nitil Patel and Timothy Hoare, all of whom are Directors of the Company.

The issue of the Placing Shares and the Subscription Shares under the terms of the Placing Agreement and the Subscription Notices to Herald Investment Trust, John Booth and JBCF constitute related party transactions by virtue of their substantial shareholdings in the Company.

Issue of Fee Shares

The issue of 2,500,000 and 5,000,000 New Ordinary Shares to Timothy Hoare and Bob Geldof respectively in respect of accrued but unpaid fees due to each of them constitutes a related party transaction as they are a director and a former director respectively.

Related party opinion

The Directors, having consulted with N+1 Singer, the Company's nominated adviser, consider the terms of the Debt Conversion and the terms of Herald Investment Trust's and John Booth and JBCF's participation in the Placing and Subscription to be fair and reasonable insofar as Shareholders are concerned. As none of the Directors are considered to be independent in relation to the Subscription, N+1 Singer, the Company's nominated adviser, has stated that it considers the terms of the Subscription to be fair and reasonable insofar as Shareholders are concerned. The Directors (other than Timothy Hoare), having consulted with N+1 Singer, the Company's nominated adviser, consider the terms of the issue of the Fee Shares to each of Timothy Hoare and Bob Geldof to be fair and reasonable insofar as Shareholders are concerned.

19. GENERAL MEETING

Notice of the General Meeting is set out at the end of this document. The General Meeting will be held at the offices of Nabarro LLP, 125 London Wall, EC2Y 5AL at 9.00 a.m. on 10 July 2015.

Shareholders have the right to attend, speak and vote at the General Meeting (or, if they are not attending the meeting, to appoint someone else as their proxy to vote on their behalf) if they are on the Register at the Voting Record Time (namely 6.00 p.m. on 10 July 2015). Changes to entries in the Register after the Voting Record Time will be disregarded in determining the rights of any person to attend and/or vote at the General Meeting. If the General Meeting is adjourned, only those Shareholders on the Register 48 hours before the time of the adjourned General Meeting (excluding any part of a day that is not a Business Day) will be entitled to attend, speak and vote or to appoint a proxy.

A Form of Proxy for use at the General Meeting is enclosed with this document (see the paragraph below headed "Action to be Taken").

The number of Ordinary Shares a Shareholder holds as at the Voting Record Time will determine how many votes a Shareholder or his proxy will have in the event of a poll.

Explanation of the Resolutions to be proposed at the General Meeting

The notice convening the General Meeting sets out the Resolutions to be proposed at the General Meeting. An explanation of these Resolutions is set out below:

Ordinary resolutions

Resolution 1 is to approve the Acquisition as it constitutes a reverse takeover of Ten Alps and Shareholder approval of the Acquisition is therefore required under the AIM Rules.

Resolution 2 is to create the Preference Shares, to sub-divide each Existing Ordinary Share into one new ordinary share of 0.01 pence in the capital of the Company and one new deferred share of 1.99 pence in the capital of the Company, and then consolidate the resulting ordinary shares of 0.01 pence each on a 10 for 1 basis into new Ordinary Shares of 0.1 pence each. This resolution also authorises the Directors to deal with fractional entitlements that arise under the Share Capital Reorganisation.

Resolution 3 is to authorise the Directors, for the purposes of section 551 of the Act, to allot shares in the Company or grant rights to subscribe for or convert any security into shares in the Company of up to a maximum aggregate nominal amount of £392,021.60 in connection with the Proposals and a further nominal amount of £139,800 generally. The general authority is equal to approximately one third of the Enlarged Issued Share Capital. Resolution 3 also authorises the directors of the Company from time to time to allot up to a further nominal amount of £139,800 for use only in connection with a fully pre-emptive rights issue. Save as disclosed in this document there are no immediate plans to exercise these authorities. The authorities will expire at the date of the annual general meeting in 2016 or, if earlier, 10 October 2016.

Resolution 4 is to reappoint Peter Bertram, as a director of the Company.

Resolution 5 is to reappoint Mark Wood as a director of the Company.

Resolution 6 is to reappoint Nitil Patel as a director of the Company.

Resolution 7 is to approve the participation of the Directors in the Subscription. The voting on this resolution shall be conducted by a poll and only the Independent Shareholders shall be entitled to vote in respect of this resolution.

Resolution 8 is to approve the issue of New Ordinary Shares to Timothy Hoare and Bob Geldof in respect of accrued but unpaid fees due to each of them. The voting on this resolution shall be conducted by a poll and only the Independent Shareholders shall be entitled to vote in respect of this resolution.

Special resolutions

Resolution 9 is to disapply statutory pre-emption rights up to an aggregate nominal amount of £392,021.60 in connection with the Proposals, a rights or other pre-emptive issue and any other issue of equity securities for cash up to an aggregate nominal amount of £41,940 (representing approximately 10.0 per cent. of the Enlarged Issued Share Capital). The authority will expire on the date of the annual general meeting in 2016 or, if earlier, 10 October 2016.

Resolution 10 is to approve the adoption of new articles of association for the Company in substitution for the current articles of association of the Company which will include provisions in respect of the new classes of Deferred Shares and Preference Shares. A summary of the New Articles and the principal changes arising from the adoption of the New Articles, other than changes which are of a minor, technical or clarifying nature, are set out in paragraph 6 of Part VI of this document and the Existing Articles and the New Articles are available for review at the Company's website at www.tenalps.com.

Resolution 11 is to approve the Capital Reduction.

Save as otherwise disclosed in this document, the Directors have no present intention of issuing further Ordinary Shares or Preference Shares save pursuant to the Proposals.

20. IRREVOCABLE UNDERTAKINGS

Insofar as they are interested in Ordinary Shares, the Directors and persons connected with them have given irrevocable undertakings to the Company to vote in favour of the Resolutions (and, where relevant, to procure that such action is taken by the relevant registered holders if that is not them), in respect of their entire beneficial holdings totalling, in aggregate, 13,404,000 Ordinary Shares, representing approximately 4.84 per cent. of the Existing Total Voting Rights.

In addition, certain other Shareholders have given irrevocable undertakings to the Company to vote in favour of the Resolutions to be proposed at the General Meeting (and, where relevant, to procure that such action is taken by the relevant registered holders if that is not one of them) in respect of their holdings

totalling, in aggregate, 190,272,561 Ordinary Shares, representing approximately 68.77 per cent. of the Existing Total Voting Rights.

In total, therefore, the Company has received irrevocable undertakings to vote in favour of the Resolutions in respect of holdings totalling in aggregate 203,676,561 Ordinary Shares, representing approximately 73.61 per cent. of the Existing Total Voting Rights. Further details of the irrevocable undertakings received by the Company are set out in paragraph 14 of Part VI of this document.

21. DIVIDEND POLICY

The New Board's objective following Completion is to continue to grow the Enlarged Group's business and it is expected that any surplus cash resources will, in the short to medium term, be reinvested into development of the Group's business. In view of this, the New Board will not be recommending a dividend for the foreseeable future and intend only to commence the payment of dividends when it becomes commercially prudent to do so, having regard to the availability of the Enlarged Group's distributable profits and funds required to finance future growth.

22. CORPORATE GOVERNANCE

The Directors and Proposed Directors support high standards of corporate governance. Accordingly, the New Board will meet regularly throughout the year and all necessary information will be supplied to the directors at that time on a timely basis to enable them to discharge their duties effectively. Additionally, special meetings will take place or other arrangements will be made when decisions are required in advance of regular meetings.

The Directors have ensured that financial controls and reporting procedures are appropriate given the size and structure of the Enlarged Group. It is the intention of the New Board that these controls will be reviewed regularly in light of the future growth and development of the Enlarged Group and adjusted accordingly.

Share dealing code

The Directors comply with Rule 21 of the AIM Rules for Companies relating to directors and applicable employees dealings in the Company's securities. Accordingly, the Company has adopted a share dealing code for directors and applicable employees and the Company will take all reasonable steps to ensure compliance by its directors and applicable employees with the provisions of the AIM Rules for Companies relating to dealing in securities.

Compliance with the Corporate Governance Code

The Directors and Proposed Directors recognise the importance of, and are committed to, good corporate governance and intend, following Admission, so far as is practicable and appropriate for a company of its size, stage of development and nature as a company whose securities are traded on AIM. On Admission, the New Board will comprise five directors consisting of the Chairman, two executive directors and two non-executive directors.

The New Board considers that all the non-executive directors will be independent. It is intended that Luke Johnson will be the Enlarged Group's senior independent director.

The Directors have formed an audit committee and a remuneration committee.

Committees of the directors

Audit Committee

Following Admission, the audit committee will comprise Peter Bertram, Luke Johnson and Jonathan Goodwin. The audit committee is charged with making recommendations to the Board on the appointment of auditors and the audit fee, for reviewing the conduct and control of the annual audit and for reviewing the operation of the internal financial controls. It also has responsibility for reviewing financial statements prior to publication.

Remuneration Committee

Following Admission, the remuneration committee will comprise Peter Bertram, Luke Johnson and Jonathan Goodwin. The remuneration committee reviews the performance of the executive directors, sets the scale and structure of their remuneration and the basis of their service agreements with due regard to the interests of shareholders and reviews and approves any proposed bonus entitlement.

The audit committee is currently chaired by Peter Bertram and the remuneration committee is currently chaired by Tim Hoare. The New Board intends to delegate the respective roles as chairman of the audit committee and the remuneration committee shortly after Admission. In the interim, from the point of Admission Peter Bertram will be acting chairman of both committees.

23. ADMISSION AND SETTLEMENT

As the Acquisition constitutes a reverse takeover of the Company under the AIM Rules for Companies, Shareholder consent to the Acquisition is required at the General Meeting. If the Resolutions are duly passed at the General Meeting, the admission of the Ordinary Shares to trading on AIM will be cancelled (immediately prior to Admission) and the Enlarged Issued Share Capital will be admitted to trading on AIM.

Application will be made to London Stock Exchange for the Enlarged Issued Share Capital to be admitted to trading on AIM. Admission is expected to take place at 8.00 a.m. on 13 July 2015.

The total number of New Ordinary Shares to be issued pursuant to the Proposals and the percentage of the Enlarged Issued Share Capital represented by each issue immediately following Admission will be as follows:

	<i>Number of New Ordinary Shares</i>	<i>Percentage of Enlarged Issued Share Capital</i>
Placing	173,900,000	41.46
Subscription	51,100,000	12.18
Debt Conversion	140,214,078	33.43
Lepe Option Shares	2,766,660	0.66
Fee Shares	23,750,000	5.66

If Admission does not take place on or before 8.00 a.m. on 13 July 2015 (or such later time and/or date as the Company and N+1 Singer may agree (being not later than 8.00 a.m. on 31 July 2015)) the Placing and Debt Conversion will not proceed as they are conditional upon each other.

The New Ordinary Shares will rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, paid or made after their allotment and issue.

The Existing Articles and New Articles permit the Company to issue shares in uncertificated form. CREST is a computerised paperless share transfer and settlement system which allows shares and other securities to be held in electronic rather than paper form. The Ordinary Shares are already admitted to CREST and therefore the New Ordinary Shares will also be eligible for settlement in CREST. CREST is a voluntary system and Shareholders who wish to retain certificates will be able to do so upon request. The New Ordinary Shares due to uncertificated holders are expected to be delivered in CREST on 13 July 2015.

24. TAXATION

Information regarding United Kingdom taxation is set out in paragraph 22 of Part VI of this document. If you are in any doubt as to your tax position, you should consult an appropriate professional adviser immediately.

25. RISK FACTORS

Your attention is drawn to the Risk Factors set out in Part II of this document.

26. ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in Parts II to VI of this document.

27. ACTION TO BE TAKEN

You will find accompanying this document a Form of Proxy for use in connection with the General Meeting. Whether or not you intend to be present at the General Meeting, you are asked to complete the Form of Proxy in accordance with the instructions printed on it so as to be received by the Company's registrars, Capita Asset Services, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, as soon as possible but in any event not later than 9.00 a.m. on 8 July 2015 (or, in the case of an adjournment of the General Meeting, not later than 48 hours before the time fixed for the holding of the adjourned meeting (excluding any part of a day that is not a Business Day)). Completion of the Form of Proxy will not preclude you from attending and voting at the General Meeting should you so wish.

If you hold your Ordinary Shares in CREST you may appoint a proxy using the CREST electronic proxy appointment service by following the instructions in note 15 to the Notice of General Meeting. The completion and return of a Form of Proxy or the electronic appointment of a proxy will not preclude Shareholders from attending the General Meeting and voting in person should they so wish.

28. RECOMMENDATION

Your Board believes the Proposals and the Capital Reduction to be in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors unanimously recommend you to vote in favour of the Resolutions to be proposed at the General Meeting as they have irrevocably undertaken to do in respect of their beneficial holdings, amounting, in aggregate, to 13,404,000 Existing Ordinary Shares, representing 4.84 per cent. of the Existing Total Voting Rights.

Yours faithfully

Peter Bertram
Chairman

PART II RISK FACTORS

This document contains forward looking statements, which have been made after due and careful enquiry and are based on the Directors' and Proposed Directors' current expectations and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. These forward-looking statements are subject to, *inter alia*, the risk factors described in this Part II. The Directors and Proposed Directors believe that the expectations reflected in these statements are reasonable, but they may be affected by a number of variables which could cause actual results or trends to differ materially. Each forward-looking statement speaks only as of the date of the particular statement.

Factors that might cause a difference include, but are not limited to, those set out in this Part II. Given these uncertainties, prospective investors are cautioned not to place any undue reliance on such forward looking statements. The Company disclaims any obligation to update any such forward looking statements in the document to reflect future events or developments.

Prior to making an investment decision in respect of the Ordinary Shares, prospective investors should consider carefully all of the information within this document, including the risk factors set out in this Part II. The Directors and Proposed Directors believe these risks to be the most significant for potential investors. However, the risks listed do not necessarily comprise all those associated with an investment in the Company. In particular, the Company's performance may be affected by changes in market or economic conditions and in legal, regulatory and/or tax requirements. The risks listed are not set out in any particular order of priority.

If any of the following risks were to materialise, the Enlarged Group's business, financial condition, results or future operations could be materially and adversely affected. In such cases, the market price of the Ordinary Shares could decline and an investor may lose part or all of his investment. Additional risks and uncertainties not presently known to the Directors and Proposed Directors, or which they currently deem immaterial, may also have an adverse effect upon the Enlarged Group and the information set out below does not purport to be an exhaustive summary of the risks affecting the Enlarged Group.

RISKS RELATING TO THE PROPOSALS, THE COMPANY AND ITS BUSINESS

The Acquisition may not complete

Completion of the Acquisition is subject to the satisfaction (or waiver) of a number of conditions contained in the Acquisition Agreement including the approval of the Acquisition by the Shareholders at the General Meeting and Admission. If Shareholders do not approve the Acquisition at the General Meeting, the Acquisition will not complete. There is no guarantee that these (or other) conditions will be satisfied (or waived) in which case the Acquisition will not be completed.

The Enlarged Group may not be able fully to realise the benefits of the Acquisition

The Enlarged Group's success will partially depend upon the Directors' and Proposed Directors' ability following the Acquisition to integrate the Reef and Ten Alps businesses without significant disruption to either. This integration process may divert management's attention from the ordinary course operation of the business and raise unexpected issues and may take longer or prove more costly than anticipated. Although the Directors and Proposed Directors believe that such disruption is unlikely, issues may come to light during the course of integrating Reef and Ten Alps that may have an adverse effect on the financial condition and results of operations of the Enlarged Group. There is no assurance that the Company will realise the potential benefits of the Acquisition including, without limitation, potential synergies and cost savings (to the extent and within the time frame contemplated). If the Company is unable to integrate the Reef and Ten Alps businesses successfully into the Enlarged Group then this could have a significantly negative impact on the results of operations and/or financial condition of the Enlarged Group. There is no certainty that customers of Ten Alps and Reef will continue to be customers of the Enlarged Group following the Acquisition, particularly if customer service is affected whether before or after completion of

the Acquisition or in the event that strategic decisions taken by the Directors and Proposed Directors after completion of the Acquisition cause customers to terminate contractual relations.

Key customers and potential impact on Enlarged Group cashflows

The Enlarged Group will rely on a number of key customers, such as Channel 4 and the BBC. The business plan produced by management assumes new and continuing revenue from such key customers. In the event that existing contracts were terminated or new revenue streams were to fail to materialise, this could affect the projected growth of the Enlarged Group. Furthermore, Ten Alps' core production businesses are dependent on the BBC, Channel 4, ITV, Channel 5 and various international broadcasters as key clients and as such are vulnerable to BBC budget cuts, advertising pressure on commercial broadcasters and market trends.

Given the significance of this concentration, the revenue profile of the Enlarged Group and the nature of the projects, particularly in the Broadcast and Communications divisions, mean that any delay, which may or may not be in the control of the Enlarged Group, could have a material impact on the revenue, forecasting and cash flow.

Royalty income

Across the TV industry royalty income can be a significant profit generator for the intellectual property holder. This income can vary in amounts, be difficult to forecast, require continuous monitoring and upgrading with new products to maintain a steady stream of income. There is a risk that the development of new programmes and formats will not generate the same level of income in the future, as is derived from current products in the portfolio of Reef and Ten Alps.

Key relationships

Both Ten Alps and Reef rely on the strong relationships within their respective television businesses that its key employees have established with its broadcasting clients. The loss of one or more of these key business relationships may have a material adverse effect on the Group's revenues. Furthermore, the loss of key management or other key personnel, particularly to competitors, and, as a consequence, the loss of these key relationships, could have adverse consequences for the Group.

Ability to attract and retain employees

The Enlarged Group depends on its key management and qualified and experienced employees, especially in relation to its creative and development staff, to enable it to generate and retain business. Furthermore, the Enlarged Group's ability to manage its financing and development activities will depend in large part on the efforts of these individuals. Key staff are incentivised through a mixture of sales commissions, profit related bonuses and participation in employee share incentive plans, however should the Enlarged Group be unable to attract new employees or retain existing employees this could have a material adverse effect on the Enlarged Group's ability to grow or maintain its business.

Terms of trade

The Enlarged Group's broadcasting division and the wider independent TV sector is governed by OFCOM rules under the 'terms of trade' doctrine. Due to recent consolidation of the UK TV sector, the Directors expect that certain broadcasters will call for the terms of this doctrine to be subject to renegotiation in the coming years, one potential consequence of which being that the guidelines surrounding intellectual property rights may change. There is, therefore, a risk that intellectual property rights which the Enlarged Group is entitled to hold could be reduced in the future, which could have a subsequent impact on the financial performance of the Enlarged Group.

Change of control

There are change of control provisions in a number of agreements that Reef has entered into with customers and suppliers, some of which are agreements with Reef's biggest suppliers and customers. As a result of the Acquisition, the contracting party may be entitled to terminate these agreements. If any such

customer or supplier terminates their contract with Reef, or if any such customer or supplier uses it as an opportunity to renegotiate more onerous terms, it may have a material adverse effect on the Enlarged Group's financial performance.

International sales, geographic expansion and foreign exchange risk

The Enlarged Group intends to increase sales in new and existing overseas markets. This inevitably brings risk such as capacity, managerial, operational and financial issues. The ability to manage future growth will depend on the Enlarged Group's ability to implement and manage these issues efficiently and adequately.

Geographic expansion, which may be a potential strategy the Enlarged Group could deploy, brings with it economic, foreign exchange, legislative and political risks.

All these factors and risks may affect the Enlarged Group's ability to grow and expand and could therefore reduce revenues, cashflows and profitability in the future.

Technology

The creative industry and in particular the media industry is experiencing a fundamental technology change, the so called 'digital revolution'. As a consequence the market is evolving rapidly and constantly. The Enlarged Group cannot anticipate accurately or respond strategically to all technology advancements in a timely and effective manner. There is a risk that product development could fail to meet market expectations.

Future acquisitions

An effective acquisition strategy will be a key plank to deliver the Enlarged Group's anticipated growth and profitability aspirations. There is a risk that its ability to target, execute and integrate such acquisitions may fail and thereby reduce the Enlarged Group's growth and profitability targets. Further, it may require additional funding to pursue such acquisitions through the issue of equity or debt.

Taxation

The Enlarged Group currently has taxable losses brought forward. Changes to reliefs, rates and general tax environment may have an adverse effect on the Enlarged Group's cashflows in the future.

Achievement of strategic aims

The value of an investment in the Enlarged Group is dependent on the Enlarged Group achieving its strategic aims. The Enlarged Group's strategy is to invest and grow the business through the development of its products and technology. While the Directors and Proposed Directors are optimistic about the prospects for the Enlarged Group, there is no certainty that it will be capable of achieving its strategy or the anticipated revenues or growth or be profitable. The Enlarged Group's future operating results will be highly dependent upon how well it manages its planned strategy.

Financial resources

In the opinion of the Directors and Proposed Directors, having made due and careful enquiry, taking into account the net proceeds of the Placing, the Subscription and the Debt Conversion, the working capital available to the Enlarged Group will be sufficient for its present requirements, that is for at least twelve months from the date of Admission.

The Enlarged Group's future capital requirements will, however, depend on many factors, including its ability to maintain and expand its customer base, its sales, cash flow and control of costs and the execution of any material acquisitions. In the future, the Enlarged Group may require additional funds and may attempt to raise additional funds through equity or debt financings or from other sources. Any additional equity financing may be dilutive to holders of Ordinary Shares and any debt financing, if available, may require restrictions to be placed on the Enlarged Group's future financing and operating activities. The Enlarged Group may be unable to obtain additional financing on acceptable terms or at all if market and

economic conditions, the financial condition or operating performance of the Enlarged Group or investor sentiment (whether towards the Enlarged Group in particular or towards the market sector in which the Enlarged Group operates) are unfavourable. The Enlarged Group's inability to raise additional funding may hinder its ability to grow in the future or to maintain its existing levels of operation.

RISKS RELATING TO THE INDUSTRY

Market and competition

The Enlarged Group will operate in highly competitive markets which are rapidly evolving and adapting, in particular due to factors such as consumer tastes, trends and technology advancements, and which may become more competitive. Key clients can change programming, strategy and advertising priorities at short notice, which could lead to volatility in revenues, or in the predictability thereof, for the Enlarged Group. Furthermore, due to the increased level of opportunities for independent television producers, in particular in light of the anticipated change in policy by the BBC in relation to commissioning quotas, this may result in an increased number of competitors entering the market, and there can be no guarantee that the Enlarged Group's competitors will not develop similar or superior commission proposals which may render the Enlarged Group uncompetitive.

Intellectual property rights

The commercial success of the Enlarged Group depends in part on its ability to protect its intellectual property rights. The Enlarged Group relies upon various intellectual property protections, including trademarks and contractual provisions, to preserve its intellectual property rights. No assurance is given that the Enlarged Group will be able to protect and preserve its intellectual property rights.

Substantial costs may be incurred if the Enlarged Group is required to defend its intellectual property rights and trade marks against third parties. Other parties may copy without authorisation the Enlarged Group's intellectual property. Due to the Enlarged Group's size and resources, it may not be able effectively to detect and prevent any infringement of its intellectual property rights. Policing unauthorised use of intellectual property is difficult, and some foreign laws do not protect proprietary rights to the same extent as the laws of the United Kingdom. To protect the Enlarged Group's intellectual property, the Enlarged Group may become involved in litigation, which, even if successful could result in substantial expense, divert the attention of its management, cause significant delays, materially disrupt the conduct of the Enlarged Group's business or adversely affect its revenue, financial condition and results of operations.

In any event, the Enlarged Group's intellectual property rights may not provide meaningful commercial protection of its content.

There can be no assurance that the Enlarged Group will not receive communications from third parties asserting that the Enlarged Group's content and other intellectual property infringe, or may infringe, their proprietary rights. Any such claims, with or without merit, could be time consuming, result in costly litigation and the diversion of technical and management personnel, cause delays or require the Enlarged Group to enter into royalty or licensing agreements or re-brand products. Such royalty or licensing agreements, if required, may not be available on terms acceptable to the Enlarged Group or at all. In the event of a successful claim of infringement against the Enlarged Group's business, operating results or financial condition could be materially adversely affected.

Exposure to economic cycle

The Enlarged Group is exposed to the general economic cycle through its customers' ability to purchase new content. Such content could be vulnerable to delay or cancellation in the event of a continuing and prolonged downturn.

Litigation risks

All industries are subject to legal claims, with and without merit. The Enlarged Group may become involved in legal disputes in the future. Defence and settlement costs can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, there can be no assurance that

the resolution of any particular legal proceeding will not have a material effect on the Enlarged Group's financial position or results of operations.

RISKS RELATING TO AIM AND THE ORDINARY SHARES

Investment in AIM securities

Although the Company is applying for the admission of its share capital to trading on AIM, there can be no assurance that an active trading market for the New Ordinary Shares will develop, or if developed, that it will be maintained. Investment in shares traded on AIM is perceived to involve a higher degree of risk than investment in a company whose shares are listed on the Official List of the UK Listing Authority. An investment in the New Ordinary Shares may be difficult to realise. Prospective investors should be aware that the value of the New Ordinary Shares may go down as well as up and that the market price of the New Ordinary Shares may not reflect the underlying value of the Enlarged Group. Investors may therefore realise less than, or lose all of, their investment.

Volatility of share price

The trading price of the New Ordinary Shares may be subject to wide fluctuations in response to a number of events and factors, such as variations in operating results, announcements of or new services by the Enlarged Group or its competitors, changes in financial estimates and recommendations by securities analysts, the share price performance of other companies that investors may deem comparable to the Company and news reports relating to trends in the Enlarged Group's markets. These fluctuations may adversely affect the trading price of the New Ordinary Shares, regardless of the Enlarged Group's performance.

Estimates in financial statements

Preparation of consolidated financial statements requires the Enlarged Group to use estimates and assumptions. Accounting for estimates requires the Enlarged Group to use its judgment to determine the amount to be recorded on its financial statements in connection with these estimates. The Enlarged Group's accounting policies require management to make certain estimates and assumptions as to future events and circumstances. In addition, the carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. If the estimates and assumptions are inaccurate, the Enlarged Group could be required to write down the value of certain assets. On an ongoing basis, the Enlarged Group re-evaluates its estimates and assumptions. However, the actual amounts could differ from those based on estimates and assumptions.

Investment risk

An investment in the Company is highly speculative, involves a considerable degree of risk and is suitable only for persons or entities which have substantial financial means and who can afford to hold their ownership interests for an indefinite amount of time.

Ordinary Shares available for future sale

The Company is unable to predict whether substantial amounts of New Ordinary Shares will be available in the open market following Admission. Any sales of substantial amounts of New Ordinary Shares in the public market, or the perception that such sales might occur, could materially and adversely affect the market price of the New Ordinary Shares.

Suitability

The investment described in this document may not be suitable for all those who receive it. Before making a final decision, investors who are in any doubt are advised to consult their stockbroker, bank manager, solicitor or accountant or other professional adviser authorised under FSMA who specialises in advising on the acquisition of shares and other securities in the United Kingdom.

PART III HISTORICAL FINANCIAL INFORMATION ON TEN ALPS PLC

The Company has published Annual Report and Accounts for both of the financial years ended 31 March 2012 and 31 March 2013 and for the fifteen month period ended 30 June 2014 and released interim statements for the two interim periods ended 30 September 2013 and 31 December 2014 (together, the "Accounts"). Pursuant to Rule 26 of the AIM Rules for Companies, the Accounts are available to view and download from the Company's website at www.tenalps.com and therefore have not been reproduced in this document, instead being incorporated by reference.

The Accounts were prepared under International Financial Reporting Standards, as adopted by the EU ("IFRS") and include, on the pages specified in the table below, the following information:

<i>Nature of information</i>	<i>For the year to</i>		<i>For the</i>	<i>For the six months</i>	
	<i>31 March</i>	<i>2013</i>	<i>fifteen month</i>	<i>period ending</i>	<i>31 December</i>
	<i>2012</i>	<i>2013</i>	<i>30 June 2014</i>	<i>30 September</i>	<i>31 December</i>
	<i>Page</i>	<i>Page</i>	<i>Page</i>	<i>Page</i>	<i>Page</i>
Independent auditors' report	18	20	18	N/A	N/A
Consolidated income statement	19	21	19	11	6
Consolidated statement of changes in equity	21	23	22	15	10
Consolidated statement of financial position	20	22	20	13	8
Consolidated cash flow statement	20	22	21	14	9
Accounting policies	22-28	24-31	23-28	16	11
Notes to the financial statements	22-38	24-41	23-42	16-18	11-12

Mark Henshaw of Grant Thornton (UK) LLP is a Senior Statutory Auditor and has issued unqualified audit opinions on the consolidated financial statements of Ten Alps and its subsidiaries included in the Annual Report and Accounts of Ten Alps for the financial year ended 31 March 2012.

Nicholas Page of Grant Thornton (UK) LLP is a Senior Statutory Auditor and has issued unqualified audit opinions on the consolidated financial statements of Ten Alps and its subsidiaries included in the Annual Report and Accounts of Ten Alps for the financial year ended 31 March 2013 and the fifteen month period ending 30 June 2014.

PART IV HISTORICAL FINANCIAL INFORMATION ON REEF

PART A: ACCOUNTANTS' REPORT ON THE HISTORICAL FINANCIAL INFORMATION OF REEF FOR THE THREE FINANCIAL YEARS ENDED 31 DECEMBER 2014



Grant Thornton UK LLP
30 Finsbury Square
London EC2P 2YU

The directors and proposed directors of Ten Alps plc (the "Directors")
13th Floor
Portland House
Bressenden Place
London
SW1E 5BH

17 June 2015

Dear Sirs

Reef Television Limited ("Reef")

We report on the financial information set out Part B of this Part IV which comprises the statement of comprehensive income, the statement of financial position, the statement of cash flows, the statement of changes in equity, and the notes to the historical financial information for the three financial years ended 31 December 2014. This financial information has been prepared for inclusion in this Admission Document dated 17 June 2015 of Ten Alps plc on the basis of the accounting policies set out in note 1 of the consolidated historical financial information.

This report is required by Paragraph (a) of Schedule Two of the AIM Rules for Companies and is given for the purpose of complying with that paragraph and for no other purpose.

Responsibilities

Save for any responsibility arising under Paragraph (a) of Schedule Two of the AIM Rules for Companies to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Paragraph (a) of Schedule Two of the AIM Rules for Companies, consenting to its inclusion in this Admission Document.

The Directors are responsible for preparing the financial information in accordance with International Financial Reporting Standards as adopted by the European Union. It is our responsibility to form an opinion on the financial information and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of the significant estimates and judgements made by those responsible for the preparation of the financial information and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial information is free from material misstatement, whether caused by fraud or other irregularity or error.

Opinion

In our opinion, the financial information gives, for the purposes of the Admission Document dated 17 June 2015, a true and fair view of the state of affairs of Reef as at 31 December 2014 and of its results, cash flows and changes in equity for the three financial years ended 31 December 2014 in accordance with International Financial Reporting Standards adopted by the European Union and has been prepared in a form that is consistent with the accounting policies adopted in Ten Alps plc's latest annual accounts.

Declaration

For the purposes of Paragraph (a) of Schedule Two of the AIM Rules for Companies we are responsible for this report as part of this AIM Admission Document and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in this AIM Admission Document in compliance with Schedule Two of the AIM Rules for Companies.

Yours faithfully

GRANT THORNTON UK LLP

**PART B: FINANCIAL INFORMATION ON REEF FOR FINANCIAL YEARS ENDED
31 DECEMBER 2012, 31 DECEMBER 2013 AND 31 DECEMBER 2014**

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED 31 DECEMBER 2012, 2013 & 2014**

	<i>Notes</i>	<i>2012</i> £'000	<i>2013</i> £'000	<i>2014</i> £'000
Revenue	4	4,062	3,833	5,735
Cost of sales		<u>(2,957)</u>	<u>(2,796)</u>	<u>(4,246)</u>
Gross profit		1,105	1,037	1,489
Administrative expenses		(811)	(891)	(1,019)
Other operating income		<u>6</u>	<u>1</u>	<u>-</u>
Operating profit	5	<u>300</u>	<u>147</u>	<u>470</u>
Profit before taxation		300	147	470
Taxation	9	<u>(66)</u>	<u>(37)</u>	<u>(102)</u>
Profit for the year and Total Comprehensive income for the year attributable to the owners of the company		<u><u>234</u></u>	<u><u>110</u></u>	<u><u>368</u></u>
Earnings per share				
Basic and diluted earnings per share – continuing and total operations	10	<u><u>£23.4</u></u>	<u><u>£11.0</u></u>	<u><u>£36.8</u></u>

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2012, 2013 & 2014**

		<i>1 January</i>			
	<i>Notes</i>	<i>2012</i>	<i>2012</i>	<i>2013</i>	<i>2014</i>
		<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
ASSETS					
Non-current assets					
Property, plant and equipment	12	117	91	50	63
Current assets					
Trade and other receivables	13	225	405	486	468
Cash and cash equivalents		668	312	1,127	1,148
		893	717	1,613	1,616
TOTAL ASSETS		1,010	808	1,663	1,679
EQUITY AND LIABILITIES					
Equity					
Capital and reserves attributable to equity holders of the company					
Ordinary share capital	14	–	–	–	–
Retained earnings		605	639	699	967
Total equity		605	639	699	967
Liabilities					
Non-current liabilities					
Deferred tax liabilities	17	6	4	2	6
Current liabilities					
Trade and other payables	18	399	165	962	706
		405	169	965	712
TOTAL EQUITY AND LIABILITIES		1,010	808	1,663	1,679

**STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED 31 DECEMBER 2012, 2013 & 2014**

	<i>Notes</i>	<i>2012 £'000</i>	<i>2013 £'000</i>	<i>2014 £'000</i>
Cash flows from operating activities				
Profit before taxation		300	147	470
Adjustments for:				
Depreciation of property, plant and equipment	12	68	52	46
(Increase)/decrease in trade and other receivables	13	(180)	(80)	18
(Decrease)/increase in trade and other payables	20	(249)	757	(244)
Cash (expended)/generated from operations		(61)	876	290
Tax received/(paid)		(53)	1	(111)
NET CASH (EXPENDED)/GENERATED FROM OPERATING ACTIVITIES		(114)	877	179
Cash flows from investing activities				
Purchase of property, plant and equipment	12	(42)	(11)	(59)
NET CASH USED IN INVESTING ACTIVITIES		(42)	(11)	(59)
Cash flows from financing activities				
Dividends paid to company shareholders	11	(200)	(50)	(100)
NET CASH USED IN FINANCING ACTIVITIES		(200)	(50)	(100)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS				
Cash and cash equivalents at beginning of year		668	312	1,128
CASH AND CASH EQUIVALENTS AT END OF YEAR		312	1,128	1,148

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEARS ENDED 31 DECEMBER 2012, 2013 & 2014**

	<i>Ordinary share capital £'000</i>	<i>Retained earnings £'000</i>	<i>Total equity £'000</i>
Balance at 1 January 2012	–	605	605
Profit and total comprehensive income for the year	–	234	234
Transactions with owners:			
Dividends paid	–	(200)	(200)
Balance as at 31 December 2012	–	639	639
Balance at 1 January 2013	–	639	639
Profit and total comprehensive income for the year	–	110	110
Transactions with owners:			
Dividends paid	–	(50)	(50)
Balance as at 31 December 2013	–	699	699
Balance as at 1 January 2014	–	699	699
Profit and total comprehensive income for the year	–	368	368
Transactions with owners:			
Dividends paid	–	(100)	(100)
Balance as at 31 December 2014	–	967	967

NOTES TO THE HISTORICAL FINANCIAL INFORMATION FOR THE YEARS ENDED 31 DECEMBER 2012, 2013 & 2014

1. GENERAL INFORMATION

Reef Television Limited ("the Company") is a limited company incorporated in the United Kingdom under the Companies Act. The address of its registered office is 141 Wardour Street, London, W1F 0UT. The principal activity of the Company is that of a television production company.

These financial statements are presented in pounds sterling because that is the functional currency of the primary economic environment in which the Company operates.

2. ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all the years presented unless otherwise stated.

Basis of preparation

These are the Company's first IFRS accounts.

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union, IFRIC interpretations and the Companies Act 2006 as applicable to companies reporting under IFRS. These accounts have been prepared under the historical cost convention.

New and Revised Standards

IFRS in issue but not applied in the current financial statements

The following IFRS and IFRIC Interpretations have been issued but have not been applied by the Company in preparing these financial statements as they are not as yet effective. The Company intends to adopt these Standards and Interpretations when they become effective, rather than adopt them early.

- IFRS 9, 'Financial instruments', effective date 1 January 2018 (not yet adopted by the EU)
- IFRS 15, 'Revenue from Contracts with Customers', effective date 1 January 2017 (not yet adopted by the EU)

Both of these standards are yet to be subject to a detailed review. IFRS 9 will impact both the measurement and disclosure of financial instruments and IFRS 15 may have an impact on revenue recognition and related disclosures. Beyond this, it is not practicable to provide a reasonable estimate of the effect of IFRS 9 and IFRS 15 until a detailed review has been completed.

A number of IFRS and IFRIC interpretations are also currently in issue which are not relevant for the Company's activities and which have not therefore been adopted in preparing these financial statements.

Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable from customers, net of trade discounts, VAT, other sales related taxes. Revenue is recognised as follows:

- Revenue from the production of television programmes is recognised using the percentage completion method, determined on the basis of the proportion of the productions which have been produced at the balance sheet date. When services have been delivered but not yet billed by the balance sheet date, income is accrued. Where amounts are received in advance of delivery, income is deferred based on the proportion of the productions which have not yet been produced. If a television production is forecast to make a loss, that loss is provided for in full in the period in which the loss is identified.

- Royalty income is recognised on an accruals basis, in accordance with the substance of the relevant agreement, when receipt is probable and the amount can be measured reliably.

Taxation

The tax expense for the year represents the total of current taxation and deferred taxation. The charge in respect of current taxation is based on the estimated taxable profit for the year. Taxable profit for the year is based on the profit as shown in the statement of comprehensive income, as adjusted for items of income or expenditure which are not deductible or chargeable for tax purposes. The current tax liability for the year is calculated using tax rates and laws which have either been enacted or substantively enacted at the date of the statement of financial position.

Deferred tax is provided in full, using the liability method on temporary differences arising between the tax base of assets and liabilities and their carrying values in the financial statements. The deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates which have been enacted or substantively enacted at the date of the statement of financial position and are expected to apply when the related deferred tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Property, plant and equipment

All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. All other assets are depreciated in order to write off the costs, less anticipated residual values of the assets over their useful economic lives on a straight line basis as follows:

- Long leasehold buildings: over the life of the lease
- Plant and machinery: 4 years

Impairment of assets

Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. A review for indicators of impairment is performed annually. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows has not been adjusted. Any impairment charge is recognised in profit or loss in the year in which it occurs. When an impairment loss, other than an impairment loss on goodwill, subsequently reverses due to a change in the original estimate, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, up to the carrying amount that would have resulted, net of depreciation, had no impairment loss been recognised for the asset in prior years.

Financial Instruments - recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs. Subsequent measurement of financial assets and financial liabilities is described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Financial assets

The Company only holds loans and receivables. The classification is dependent on the purpose for which the financial assets are acquired and is determined by the directors on initial recognition.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. Receivables that are not considered to be individually impaired are reviewed for impairment in groups, which are determined by reference to the industry and region of the counterparty and other shared credit risk characteristics. The impairment loss estimate is then based on recent historical counterparty default rates for each identified group.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and other short term highly liquid deposits with original maturities of three months or less from inception.

Financial liabilities

The Company's only financial liabilities are trade payables. Trade payables are recognised initially at fair value and are subsequently measured at amortised cost using the effective interest method. As the payment period of trade payables is short future cash payments are not discounted as the effect is not material.

Share capital

Ordinary shares of the Company are classified as equity.

Leases

On inception of a lease of an item of property, plant and equipment, the terms and conditions of the lease are reviewed to determine the appropriate classification for the lease. Leases where the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases, net of any incentives received from the lessor, are charged to the statement of comprehensive income on a straight line basis over the term of the lease.

The Company has no finance leases.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial information in accordance with generally accepted accounting practice, in the case of the Company being International Financial Reporting Standards as adopted by the European Union, requires the directors to make estimates and judgements that affect the reported amount of assets, liabilities, income and expenditure and the disclosures made in the financial statements. Such estimates and judgements must be continually evaluated based on historical experience and other factors, including expectations of future events.

The only significant judgement relates to the recognition of income from the production of television programmes. There are a limited number of jobs open at each year end and management make an assessment of progress of each one in order to determine the amount of revenue to be recognised for the year. This assessment will consider a variety of factors including the number of episodes delivered and the progress of other deliverables.

4. REVENUE

Breakdown of revenue is as follows:

	2012 £'000	2013 £'000	2014 £'000
Company			
Television production	3,634	3,427	5,283
Royalty income	428	406	452
Total revenue for period	4,062	3,833	5,735

Management considers that there is only one operating segment, the production of television programmes.

5. OPERATING PROFIT

Operating profit for the year is stated after charging/ (crediting) the following:

	2012 £'000	2013 £'000	2014 £'000
Depreciation of owned property, plant and equipment	68	52	46
Operating lease rentals – land and buildings	138	156	160
	206	208	206

6. AUDITOR'S REMUNERATION

Operating profit for the year is stated after charging/ (crediting) the following:

	2012 £'000	2013 £'000	2014 £'000
Remuneration receivable by the Company's auditor for the audit of the Company financial statements	5	5	9

7. EMPLOYEES

	2012 £'000	2013 £'000	2014 £'000
Staff costs comprised:			
Wages and salaries	53	36	57
Social security costs	25	93	121
	78	129	178

The average monthly number of employees, including directors, employed by the Company during the year was:

Office, administration and production	23	23	37
	23	23	37

8. DIRECTORS' EMOLUMENTS

	2012 £'000	2013 £'000	2014 £'000
Emoluments, including benefits in kind	153	187	200
	153	187	200

The key management personnel of the Company are the directors.

9. TAXATION

	2012 £'000	2013 £'000	2014 £'000
Company			
Current tax charge	68	39	98
	68	39	98
Deferred tax			
Origination and reversal of temporary differences (note 17)	(2)	(2)	4
Total tax charge/(credit) for period	66	37	102

The tax charge for the year is different from the standard rate of corporation tax in the United Kingdom of 21.5% (2013: 20.0%, 2012: 26.0%).

The difference can be reconciled as follows:

Profit before taxation	300	146	470
Tax calculated at the applicable rate based on profit for the year	78	29	101
Disallowed expenditure	2	3	5
Capital allowances	(14)	(4)	(14)
Depreciation	18	11	10
Marginal relief	(13)	–	(4)
Change in tax rates	(3)	–	–
Deferred tax	(2)	(2)	4
	66	37	102

10. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

	2012 £'000	2013 £'000	2014 £'000
Profit attributable to equity holders of the Company	234	110	368
Weighted average number of ordinary shares in issue	10,000	10,000	10,000
Basic and diluted earnings per share (pence per share)	2,340	1,100	3,680

11. DIVIDENDS

	2012 £'000	2013 £'000	2014 £'000
Dividends paid (2012: £20 per share, 2013: £5, 2014: £10)	200	50	100

12. PROPERTY, PLANT AND EQUIPMENT

	<i>Long leasehold buildings £'000</i>	<i>Plant and machinery £'000</i>	<i>Total £'000</i>
Cost/valuation			
At 1 January 2012	129	339	468
Additions	–	42	42
At 1 January 2013	129	381	510
Additions	–	11	11
At 31 December 2013	129	392	521
Additions	–	59	59
At 31 December 2014	129	451	580
Depreciation			
At 1 January 2012	84	267	351
Charge for the year	30	38	68
At 1 January 2013	114	305	419
Charge for the year	15	37	52
At 31 December 2013	129	342	471
Charge for the year	–	46	46
At 31 December 2014	129	388	517
Net book value as at 31 December 2014	–	63	63
Net book value as at 31 December 2013	–	50	50
Net book value as at 31 December 2012	15	76	91
Net book value as at 1 January 2012	46	71	117

13. TRADE AND OTHER RECEIVABLES

	<i>1 January 2012 £'000</i>	<i>2012 £'000</i>	<i>2013 £'000</i>	<i>2014 £'000</i>
Trade receivables	51	48	74	7
Prepayments and accrued income	129	307	370	419
Other debtors	45	50	42	42
	225	405	486	468

There are no differences between the carrying amount and fair value of any of the trade and other receivables above.

As of 31 December 2014, trade receivables of £Nil (2013: Nil) were past due or over three months old but not impaired. The ageing analysis of these trade receivables is as follows:

	<i>1 January 2012 £'000</i>	<i>2012 £'000</i>	<i>2013 £'000</i>	<i>2014 £'000</i>
Up to 3 months	51	48	74	7
	51	48	74	7

14. SHARE CAPITAL

	1 January 2012 £'000	2012 £'000	2013 £'000	2014 £'000
Issued, allotted, called up and fully paid: Number of Ordinary shares of 1 pence each	10,000	10,000	10,000	10,000
Nominal value (£)	100	100	100	100

15. FINANCIAL INSTRUMENTS

All of the Company's financial assets and financial liabilities have been categorised as loans and receivables or financial liabilities at amortised cost. These include trade and other receivables, cash and cash equivalents and trade and other payables.

The main risks arising from the Company's financial instruments are interest rate risk, liquidity risk, foreign currency risk and credit risk. The directors regularly review and agree policies for managing each of these risks which are summarised below.

Interest rate risk

The Company has limited exposure to the risk of changes in market interest rates from its bank deposits. These deposits bear interests at variable rates varied with the then prevailing market condition.

Foreign currency risks

All the company's assets and liabilities are denominated in Sterling and it has no exposure to foreign exchange movements.

Credit risk

Credit risk arises principally from cash and cash equivalents and deposits with banks and financial institutions as well as credit exposure to customers including committed transactions and outstanding receivables. The Company reviews its banking arrangements carefully to minimise such risks and has put in place credit control procedures to mitigate against risks arising from customers including the obtaining of references, setting of credit limits and monitoring of limits.

Liquidity risk

The Company's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and long term.

16. CAPITAL RISK MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company considers that its equity (share capital and retained earnings) represent capital and has been maintained at a level greater than £500,000 for the periods covered by this historic financial information.

17. DEFERRED TAXATION

	<i>Property, Plant and Equipment £'000</i>	<i>Total £'000</i>
Deferred tax liabilities		
At 1 January 2012	6	6
Credited/(charged) to the statement of comprehensive income	(2)	(2)
At 31 December 2012	4	4
Credited/(charged) to the statement of comprehensive income	(2)	(2)
At 31 December 2013	2	2
Credited/(charged) to the statement of comprehensive income	4	4
At 31 December 2014	6	6

18. TRADE AND OTHER PAYABLES

	<i>1 January 2012 £'000</i>	<i>2012 £'000</i>	<i>2013 £'000</i>	<i>2014 £'000</i>
Trade payables	106	9	24	61
Accruals, deferred income and other payables	154	51	628	424
Taxation and social security	139	105	310	221
	399	165	962	706

19. FINANCIAL COMMITMENTS

At 31 December 2014 the Company had the following total commitments under operating leases:

	<i>2014</i>		<i>2013</i>		<i>2012</i>	
	<i>Land and buildings £'000</i>	<i>Other £'000</i>	<i>Land and buildings £'000</i>	<i>Other £'000</i>	<i>Land and buildings £'000</i>	<i>Other £'000</i>
Within one year	167	3	167	3	–	–
In two to five years	250	8	417	11	69	–
In over five years	–	–	–	–	–	–
At 31 December 2014	417	11	584	14	69	–

There are two leases in place, the first for an office building and the second for a photocopier.

20. RELATED PARTY TRANSACTIONS

During 2014 the Company made purchases of £5,700 from Producer's Alliance of Cinema & Television Limited (2013: £7,104, 2012: nil) a company in which P Hanrahan is also a director. At the year end, there were no outstanding amounts unpaid (2013 & 2012: £nil).

During 2014 the Company paid £12,000 (2013: £12,000, 2012: nil) to S Layzell in respect of consultancy services. No amounts were outstanding at the year end.

No amounts were provided for or written off in respect of these balances.

Directors interests in dividends paid during the year were; R Farnbrough £55,000 (2013: £27,500, 2012: £110,000), L Farnbrough £33,000 (2013: £16,500, 2012: £66,000), and P Hanrahan £12,000 (2013: £6,000, 2012: £24,000).

The ultimate controlling party is R Farnbrough by virtue of being the majority shareholder.

21. FIRST TIME ADOPTION OF IFRS

For all periods up to and including the year ended 31 December 2014, the Company prepared its financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (UK GAAP). In preparing this historical financial information in respect of the years ended 31 December 2012, 2013 and 2014 the Company has adopted International Financial Reporting Standards (IFRS) as adopted by the European Union for the first time.

The accounting policies set out in note 1 to the financial statements have been applied in preparing this historical financial information. The retrospective application of IFRS to the comparative financial information and the opening IFRS balance sheet was required, with certain limited exceptions, by IFRS 1 'First time adoption of IFRS'.

No adjustments were required in order to restate the financial statements.

**PART V UNAUDITED PRO FORMA FINANCIAL INFORMATION
FOR THE ENLARGED GROUP**

The following unaudited pro forma statement of net assets of the Enlarged Group has been prepared to show the effect on the consolidated net assets of the Enlarged Group had the Proposals taken place as at 31 December 2014. This pro forma financial information has been prepared for illustrative purpose only and, because of its nature, may not give a true picture of the financial position or results of Ten Alps and its subsidiary undertakings. The pro forma financial information does not constitute statutory accounts within the meaning of section 434 of the Act, and no adjustments have been made to take into account of events since 31 December 2014.

UNAUDITED PRO FORMA STATEMENT OF NET ASSETS OF THE ENLARGED GROUP

As at 31 December 2014

Notes	<i>Ten Alps plc</i>		(a)	(b)	(c)	<i>Pro forma</i>	
	<i>Unaudited</i>	<i>Reef HFI</i>				<i>(d) Net Assets</i>	
	1	2					
	31 Dec	31 Dec					31 Dec
	2014	2014					2014
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Non-Current Assets							
Goodwill and other intangibles assets	6,906	–	–	4,033	–	–	10,939
Property, plant and equipment	158	63	–	–	–	–	221
Deferred tax	493	–	–	–	–	–	493
Non Current Assets	7,557	63	–	4,033	–	–	11,653
Current Assets							
Inventories	942	–	–	–	–	–	942
Trade receivables	1,889	7	–	–	–	–	1,896
Other receivables	1,165	461	–	–	–	–	1,626
Cash and cash equivalents	2,469	1,148	4,011	(2,000)	(183)	–	5,445
Current Assets	6,465	1,616	4,011	(2,000)	(183)	–	9,909
Total Assets	14,022	1,679	4,011	2,033	(183)	–	21,562
Current Liabilities							
Trade payables	(2,928)	(61)	–	–	–	–	(2,989)
Other payables	(4,631)	(645)	–	–	–	–	(5,276)
Borrowing – current	(253)	–	–	–	103	150	–
Current Liabilities	(7,812)	(706)	–	–	103	150	(8,265)
Non-Current Liabilities							
Borrowings–non current	(8,604)	–	–	–	80	6,524	(2,000)
Other non-current liabilities	–	(6)	–	(3,000)	–	–	(3,006)
Non Current Liabilities	(8,604)	(6)	–	(3,000)	80	6,524	(5,006)
Total Liabilities	(16,416)	(712)	–	(3,000)	183	6,674	(13,271)
Net assets/(liabilities)	(2,394)	967	4,011	(967)	–	6,674	8,291

Notes

1. Column (1) relates to the balance sheet of Ten Alps plc as at 31 December 2014. This has been extracted without adjustment from the unaudited interim statements released on the 30 March 2015 and incorporated by reference in Part III of this document.
2. Column (2) relates to the balance sheet of Reef Television Limited as at 31 December 2014. This has been extracted without adjustment from the financial information contained in Part IV B of this document.
3. The adjustments in columns (a) to (d) relate to the Placing and Subscription, Acquisition of Reef Television Limited, Debt Repayment and Debt Conversion as follows:
 - (a) the gross proceeds of the Placing and the Subscription are expected to be £4.5 million. The total expenses relating to the Proposals and the Capital Reduction are payable by the Company and are estimated to amount to approximately £0.8 million (excluding value added tax) of which £0.33 million will be satisfied by the issue of shares. The net proceeds of the Placing and the Subscription are therefore expected to be £4.03 million.
 - (b) the initial acquisition consideration for Reef Television Limited is an up front payment of £2 million in cash to the Vendors. The contingent consideration of £3 million is dependent on the earn-out being met over the three years ending 30 June 2018 and for prudence and for this proforma it has been assumed that the full earn-out will be met and the contingent consideration is shown as an other non-current liability. The earn-out consideration is split into £1.5 million of loan notes and £1.5 million of deferred consideration. The movement in Goodwill has been calculated on the total valuation of Reef being £5 million less the net assets as per column 2. A further bonus consideration may be payable if gross profit for over the 3 years is in excess of £6 million to be shared equally between the sellers and buyers but no fair value has been attributed to this contingent consideration (see note 3 below). Please refer to paragraph 3 of Part I for further details.
 - (c) the repayment is made up of the short term debt of £103,000 due on 30 June 2015 and long term debt of £80,000. The balance of the short term loan of £150,000 is being converted into preference shares (see (d) below). Please refer to paragraph 13 of Part I for further details.
 - (d) of the remaining long term debt, £2.80 million is being converted into ordinary shares at a placing price of 2 pence, £2.72 million is being converted into preference shares and £1.02 million of interest is being waived, leaving net debt of £2 million. Please refer to paragraph 13 of Part I for further details
4. A fair value exercise has not been undertaken in relation to net assets acquired or in the contingent consideration due. Intangible fixed assets have been categorised with goodwill for the purpose of the pro forma and the contingent consideration has been categorised as other non-current liabilities. As no fair value has been assessed no associated deferred tax has been provided.
5. No account has been taken of trading since the relevant balance sheet date referred to above, nor of any other events save as disclosed above.

PART VI
ADDITIONAL INFORMATION

1. RESPONSIBILITY STATEMENT

The Company (whose registered number and office appears in paragraph 2 below), the Directors and the Proposed Directors, whose names and functions appear on page 10, accept responsibility for the information contained in this document including individual and collective responsibility for compliance with the AIM Rules. To the best of the knowledge and belief of the Company, the Directors and Proposed Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document for which they are responsible is in accordance with the facts and there are no other facts the omission of which is likely to affect the import of such information.

2. THE COMPANY

- 2.1 The Company was incorporated on 9 June 1981 and registered in Scotland, under registered number SC075133.
- 2.2 The liability of the members of the Company is limited.
- 2.3 The Company is a multimedia producer of TV and radio programmes together with integrated publishing and communications content.
- 2.4 The principal legislation under which the Company operates is the Act and the regulations made thereunder.
- 2.5 The Company's registered office is at 7 Exchange Crescent, Conference Square, Edinburgh EH3 8AN.
- 2.6 The accounting reference date of the Company is 30 June.
- 2.7 The Company's website address is www.tenalps.com and the telephone numbers of the Company's head office and registered office are 020 7878 2311 and 0131 229 9181 respectively.

3. SHARE CAPITAL

- 3.1 The Company's shares are in registered form and are capable of transfer in both certificated form and uncertificated form. The register of members for the Company is maintained by the Company's registrars, Capita Asset Services of The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU.
- 3.2 On the Latest Practicable Date, the issued and fully paid share capital of the Company was £5,533,320.24 divided into 276,666,012 Ordinary Shares. The Company has disappplied any limit on authorised share capital, as is permitted under the Act.
- 3.3 The provisions of Section 561 of the Act (which confer on shareholders rights of pre-emption in respect of the allotment of equity securities which are, or are to be, paid up in cash other than by way of allotment to employees under an employees' share scheme (as defined in Section 1166 of the Act)) will apply to the share capital of the Company to the extent not disappplied by a special resolution of the Company.
- 3.4 The issued share capital of the Company immediately following Admission will be as follows:

	<i>Number</i>	<i>Nominal Value (£)</i>
Ordinary Shares	419,397,339	0.001
Deferred Shares	276,666,012	0.0199
Preference Shares	2,908,631	0.0001

- 3.5 The Company's historical share capital has been amended as follows since 1 January 2012:
- 3.5.1 on 25 April 2012, 120,000,000 ordinary shares of 2 pence each were issued at a price of 2.5 pence each pursuant to a subscription increasing the Company's issued share capital to 252,541,012 ordinary shares of 2 pence each; and
 - 3.5.2 on 28 March 2013, 24,125,000 ordinary shares of 2 pence each were issued at a price of 2 pence each pursuant to a placing increasing the Company's issued share capital to 276,666,012 ordinary shares.
- 3.6 The ISIN for the Ordinary Shares admitted to trading on AIM is GB00030646722.
- 3.7 Upon Admission, the ISIN for the Ordinary Shares will change to GB00BX7RGN99.
- 3.8 There are no Ordinary Shares in the Company which are held by, or on behalf of, the Company and none of the Company's subsidiary undertakings hold any shares in the Company.
- 3.9 Save as disclosed in this document:
- 3.9.1 no share capital of the Company or of any member of the Enlarged Group is under option or has been agreed conditionally or unconditionally to be put under option; and
 - 3.9.2 no share or loan capital of the Company has been issued or is now proposed to be issued, fully or partly paid, either for cash or for a consideration other than cash.
- 3.10 There are no listed or unlisted securities issued by the Company not representing share capital.
- 3.11 By an ordinary resolution of the Company passed on 31 December 2014, in substitution for all existing authorities, the directors of the Company were generally and unconditionally authorised, in accordance with section 551 of the Act, to exercise all power of the Company to allot shares in the Company and grant rights to subscribe for, or convert any security into, shares in the Company up to an aggregate nominal amount of £2,766,661. Such authority shall expire at the conclusion of the next annual general meeting of the Company or, if earlier, 15 months from the date of the resolution, save that the Company may before such expiry make an offer or agreement which would or might require shares to be allotted after the authority ends.
- 3.12 The provisions of section 561 of the Act (to the extent not disapplied as referred to in this paragraph) confer on shareholders rights of pre-emption in respect of the allotment of equity securities (as defined in section 560 of the Act) which are, or are to be, paid up fully in cash. However, by a special resolution of the Company passed on 31 December 2014, the directors of the Company have been authorised to allot equity securities wholly for cash as if section 561 of the Act did not apply to such allotment. The power is limited to the allotment of equity securities in connection with a rights issue or any other pre-emptive offer in favour of Shareholders, the allotment of equity securities in connection with or pursuant to the terms of warrants or any share option scheme or plan or long term incentive scheme or plan and otherwise to the allotment of equity securities up to an aggregate nominal value of £553,332. Such authority shall expire at the conclusion of the next annual general meeting of the Company or, if earlier, 15 months from the date of the resolution, save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after the authority ends.
- 3.13 In accordance with the Resolutions, it is proposed that:
- 3.13.1 the directors be generally and unconditionally authorised in accordance with section 551 of the Act to allot relevant securities in the Company up to an aggregate nominal amount of £392,021.60 in connection with the Proposals, up to an aggregate nominal amount of £139,799.11 generally and/or up to an aggregate nominal amount of £139,799.11 in connection with a rights issue; and
 - 3.13.2 the directors be empowered pursuant to section 570 of the Act, to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authority conferred by the resolution referred to in paragraph 3.13.1 as if section 561 of the Act did not apply up to

an aggregate nominal amount of £392,021.60 in connection with the Proposals, by way of a rights issue and/or up to an aggregate nominal amount of £41,939.73 generally,

provided that the authorities shall expire at the conclusion of the next annual general meeting of the Company to be held in 2016 or, if earlier, 10 October 2016, save that the Company may, before such expiry, make an offer or agreement which would or might require shares or equity securities to be allotted after such expiry and the directors may allot shares or equity securities in pursuance of such an offer or agreement as if this power had not expired.

4. SHARE OPTION ARRANGEMENTS

The Company has not adopted formal rules in respect of its share option arrangements. Instead, it has granted options ("Unapproved Options") to employees and directors under free-standing option agreements.

The Unapproved Options

The Unapproved Options have all been granted on similar terms, other than those granted to Robert Geldof ("RG Options"). Summarised below are the main terms of the Unapproved Options, together with the main terms of the RG Options (where different).

Exercise of Unapproved Options and RG Options

The Unapproved Options may be exercised in whole or in part at any time from, in some cases the date of grant or the day after such date, and in some cases the third anniversary, up to the tenth anniversary of the date of grant of the options.

The RG Option granted on 31 March 2006 may be exercised in whole or in part at any time from 1 April 2006 up to 31 March 2016.

Termination of Employment

The following provisions apply in respect of all of the Unapproved Options, save for the RG Options. If an optionholder with an Unapproved Option ("Unapproved Optionholder") ceases to hold office or employment within the Group:

- by reason of injury, disability, redundancy, or his employing company or the company with which he holds office ceasing to be a member of the Group or the transfer of his employment out of the group by reason of the Transfer of Undertakings (Protection of Employment) Regulations 2006, he may exercise his Unapproved Option within either six or 12 months from the date of such cessation (as specified in the relevant Unapproved Option agreement);
- by reason of death, his legal representatives may exercise his Unapproved Option within 12 months from the date of death;
- by reason of retirement, he may exercise his Unapproved Option within either one month or 12 months from the date of retirement (as specified in the relevant Unapproved Option agreement);
- where such cessation is not by reason of the fraud, dishonesty, gross misconduct or negligence of the Unapproved Optionholder, he may exercise his Unapproved Option within either 40 days or six months from the date of such cessation (as specified in the relevant Unapproved Option agreement).

The RG Options do not contain termination of employment or office provisions.

Takeover

The takeover provisions apply in respect of all Unapproved Options, save for the RG Options. In the event that a company obtains control of the Company as a result of making a general offer to acquire all of the issued shares of the Company or a general offer to acquire all the shares in the Company which are of the same class as the shares subject to the Unapproved Options then such options may be exercised within the period of 20 days (or such other time period as the Board determines) from the time such person obtains control of the Company and if not so exercised, such option will lapse. Alternatively, the

Unapproved Optionholder may agree, within the same 20 day period, to release the option over the Company's shares in consideration of the grant to him of an option over the acquiring company's shares provided that the terms of such grant are the same, in all material respects, as the option being released.

The RG Options do not contain any takeover provisions

Variation of share capital

The variation of share capital provisions apply in respect of all Unapproved Options, save for the RG Options. In the event of a variation of share capital (which includes any capitalisation issue or any rights issue or any consolidation, sub-division or reduction of capital affecting the ordinary share capital of the Company), the number of shares over which an option is granted and the exercise price may be adjusted in such manner as the Board considers appropriate or, in certain cases, as the Company's auditors shall advise the Board in writing to be fair and reasonable provided that the option price shall never be less than the nominal value of the relevant shares and the aggregate option price shall not be materially altered.

The RG Options do not contain variation of share capital provisions.

Alterations to the Unapproved Options and the RG Options

The terms of any Unapproved Options and RG Options may be varied by an agreement in writing between the Unapproved Optionholder or Robert Geldof (as the case may be) and the Company.

Outstanding Unapproved Options and RG Options

There are outstanding Unapproved Options over an aggregate of 16,805,000 Ordinary Shares (with exercise prices of between 2.5 pence and 55 pence per Existing Ordinary Share).

There are outstanding RG Options over an aggregate of 542,000 Ordinary Shares (with exercise prices of between 25 pence and 67 pence per Existing Ordinary Share).

5. SUBSIDIARY UNDERTAKINGS

5.1 The Company currently has eight principal subsidiary undertakings (all of which are incorporated in England) the details of which are as follows:

<i>Company</i>	<i>Principal Activity</i>	<i>Shareholder</i>
Atalink Limited	Contract publishing	Ten Alps Communication Limited
Blakeway Productions Limited	TV and radio production	Ten Alps Plc
Brook Lapping Productions Limited	TV and radio production	Ten Alps Plc
Films of Record Limited	TV production	Ten Alps Plc
Grove House Publishing Limited	B2B publishing	Ten Alps Communications Limited
Ten Alps Communicate Limited	Digital Marketing	Ten Alps Plc
Ten Alps Communications Limited	Contract publishing and advertising	Ten Alps Plc
Ten Alps TV Limited	TV and radio production	Ten Alps Plc

5.2 Reef Television Limited currently has no subsidiary undertakings.

6. ARTICLES OF ASSOCIATION

A summary of the principal provisions of the New Articles proposed to be adopted by special resolution at the General Meeting is set out below. A copy of the Existing Articles can be found on the Company's website.

In this paragraph 6, "Statutes" means the Act, the Uncertificated Securities Regulations 2001 and every other statute or statutory instrument, rule, order or regulation from time to time in force concerning companies in so far as they apply to the Company and references to the "Board", the "Directors" or a "Director" shall be to the board of directors present at a duly convened and accurate meeting of Directors or duly authorised committee of the Directors as the context requires and to the directors of the Company

from time to time.

Section 31 of the Act provides that the objects of a Company are unrestricted unless any restrictions are set out in the articles of association of a Company and therefore the objects of the Company will be unrestricted if the New Articles are adopted at the General Meeting.

The New Articles (which are proposed to be adopted at the General Meeting) contain provisions, among others, to the following effect.

6.1 Shares

6.1.1 On Admission, the shares of the Company will be divided into three classes: convertible redeemable preference shares of 0.01 pence each, ordinary shares of 0.1 pence each and deferred shares of 1.99 pence each.

6.1.2 The preference shares shall have the rights and be subject to the following restrictions:

- (a) the right in priority to any payment by way of dividend of the Company to receive a cumulative preferential dividend of 4.5 per cent. per annum of the subscription price of the relevant preference shares which shall at the discretion of the Company (subject to available distributable reserves) be payable on 31 July in each year or accrued and repayable when the preference shares are converted or redeemed (and may be settled in cash or Ordinary Shares at the Company's option). The preferential dividend shall increase to 13.5 per cent. per annum of the subscription price if the preference shares are not converted or redeemed on or before the date falling five years after their issue;
- (b) on a return of capital on a winding-up or otherwise, the holders of the preference shares shall be entitled, in priority to any payment to the holders of any other class of shares, to the payment of a sum equivalent to the subscription price of the relevant preference shares together with a sum equal to the accrued but unpaid preferential dividend calculated to the date of the return of capital;
- (c) the holders of the preference shares shall not be entitled to any further right of participation in the assets of the Company;
- (d) the holders of the preference shares shall not have the right to receive notice of, attend, speak or vote at any general meeting save for where a resolution is to be proposed abrogating, varying or modifying any of the rights or privileges of the holders of the preference shares (in which case they shall be only be entitled to vote on such resolution);
- (e) subject to the Act, some or all of the preference shares may be redeemed in cash by the Company at the subscription price of the relevant preference shares together with any preferential dividend accrued up to the date of redemption on the single date falling five years after their issue;
- (f) the preference shares will be convertible at any time at the option of the holder of the preference shares into Ordinary Shares at a conversion price of 2.5 pence per Ordinary Share save that the conversion right will not be exercisable in the event that it would trigger an obligation for any person to make an offer for the Company in accordance with rule 9 of the City Code. The conversion right will be exercisable by notice in writing by the holder of such preference shares to the Company; and
- (g) the preference shares are freely transferable.

6.1.3 The deferred shares shall have the rights and be subject to the following restrictions:

- (a) the deferred shares shall not confer on the holders thereof any right to receive notice of or to attend or vote at any general meeting of the Company;
- (b) a deferred share shall confer no right of pre-emption (whether on allotment or transfer) on its holder;
- (c) the deferred shares shall not carry any entitlement to dividends or to participate in any way in the income or profits of the Company or the assets of the Company;

- (d) on a return of capital, whether on a winding-up or otherwise, or sale of the Company, the holders of the deferred shares shall be entitled to receive a total of one pound (£1.00) for the entire class of deferred shares (which payment shall be deemed satisfied by payment to any one holder of deferred shares), but only after the holders of each ordinary share have received £100,000,000, but the holders of deferred shares shall not be entitled to participate further;
- (e) the Company shall have the irrevocable authority at any time after the creation or issue of deferred shares to appoint any person to execute on behalf of the holders of such shares a transfer and/or agreement to transfer the same without making any payment to the holders thereof to such person or persons as the Company may determine and, in accordance with the provisions of the Statutes, as the case may be, to purchase or cancel such shares without making any payment to or obtaining the sanction of the holders thereof and pending such transfer and/or purchase or cancellation to retain the certificates (if any) in respect thereof provided also that the Company may, in accordance with the provisions of the Statutes, purchase all but not some only of the deferred shares then in issue at a price not exceeding one pound (£1.00) for all the deferred shares so purchased;
- (f) the rights attaching to the deferred shares shall not be deemed to be varied, modified or abrogated by the creation and/or allotment and/or issue of any further shares in the capital of the Company of any class (whether ranking *pari passu* with or in priority to them) or the passing of any resolution of the Company reducing its share capital or cancelling the deferred shares or anything done pursuant to any other act, matter or thing whatsoever save for any proposal to vary (otherwise than to the advantage of the holders of the deferred shares) the rights of the holders of the deferred shares to participate in a return of capital; and
- (g) notwithstanding any provision of the New Articles, the Company shall not be required to issue any share certificates in respect of the deferred shares.

6.2 Votes of members

- 6.2.1 Subject to any special terms as to voting upon which any share may be issued, or may be held, and subject to the New Articles, on a show of hands every member present in person and entitled to vote shall have one vote and on a poll every member present in person or by proxy and entitled to vote shall have one vote for every share of which he is the holder.
- 6.2.2 Subject to the New Articles, a vote on a resolution on a show of hands at a meeting, every proxy present who has been duly appointed by one or more member entitled to vote on the resolution has one vote.
- 6.2.3 A proxy has one vote for and one vote against if they have been duly appointed by more than one member entitled to vote on the resolution and the proxy has been instructed by one or more of those members to vote for the resolution and by one or more of those members to vote against it.
- 6.2.4 On a vote on a resolution on a show of hands at a meeting, if:
 - (a) a proxy has been duly appointed by more than one member entitled to vote on the resolution; and
 - (b) the proxy has been instructed by one or more members ("member(s) A") to vote in a certain manner and has been given discretionary authority by one or more other members ("member(s) B") to vote in relation to the resolution in the manner such proxy deems fit,

such proxy is entitled, pursuant to the discretionary authority granted by member(s) B, to cast a second vote which is contrary to the manner in which such proxy voted in accordance with the instructions of member(s) A.

- 6.2.5 No member is entitled to be present or to be counted in the quorum or vote, either in person or by proxy, at any general meeting or at any separate meeting of the holders of a class of

shares or on a poll or to exercise other rights conferred by membership in relation to the meeting or poll, unless all calls or other moneys due and payable in respect of the member's shares have been paid.

6.3 Dividends

- 6.3.1 Except as otherwise provided by the New Articles or the rights attaching to shares, all dividends shall be declared and paid according to the amounts paid up on the shares in respect of which the dividend is declared and paid. Dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid. If any share is issued on terms that it shall rank for dividend as from a particular date then it shall rank for dividend as from that date.
- 6.3.2 Subject to the Statutes and the New Articles, the Company may by ordinary resolution declare a dividend to be paid to the members according to their respective rights and interests. No dividend shall exceed the amount recommended by the Board.
- 6.3.3 Subject to the Statutes, the Board may in its absolute discretion declare and pay to the members such interim dividends (including a dividend payable at a fixed rate) as appear to the Board to be justified by the profits of the Company available for distribution and the Company's financial and trading position. If the share capital of the Company is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrears.
- 6.3.4 The Board may, with the prior authority of an ordinary resolution of the Company, direct that dividends be satisfied in whole or in part by the distribution of specific assets including paid up shares, debentures or other securities of any other company.
- 6.3.5 Any dividend which has remained unclaimed for a period of 12 years from the date it became due for payment is forfeited and ceases to remain owing by the Company.
- 6.3.6 Subject to the Statutes, the Board may, with the prior authority of an ordinary resolution of the Company, allot to those holders of a particular class of shares who have elected to receive them further shares of that class or ordinary shares, in either case paid up, instead of cash in respect of all or part of a dividend or dividends specified by the resolution, subject to any exclusions, restrictions or other arrangements the Board may in its absolute discretion consider necessary or expedient to deal with legal or practical problems under the laws of, or the requirements of a recognised regulatory body or a stock exchange in, any territory.

6.4 Sanctions for failure to disclose interest in shares

- 6.4.1 Where notice is served by the Company under section 793 of the Act (a "section 793 notice") on a member, or another person whom the Company knows or has reasonable cause to believe to be interested in shares held by that member, and the member or other person has failed in relation to any shares (the "default shares", which expression includes any shares issued to such member after the date of the section 793 notice in respect of those shares) to give the Company the information required within 14 days following the date of service of the section 793 notice, the Board may serve on the holder of such default shares a notice (a "disenfranchisement notice") whereupon the following sanctions apply, unless the Board otherwise decides:
 - (a) the member is not entitled in respect of the default shares to be present or to vote (either in person or by proxy) at a general meeting or at a separate meeting of the holders of a class of shares or on a poll or to exercise other rights conferred by membership in relation to the meeting or poll; and
 - (b) where the default shares represent at least 0.25 per cent in nominal value of the issued shares of their class (calculated exclusive of any shares held as treasury shares):
 - (i) a dividend (or any part of a dividend) or other amount payable in respect of the default shares shall be withheld by the Company, which has no obligation to pay

interest on it, and the member is not entitled to elect to receive shares instead of a dividend; and

- (ii) no transfer of any of the default shares shall be registered unless the transfer is:
 - (A) pursuant to acceptance of a takeover offer for the Company or in consequence of a sale made through a recognised investment exchange (as defined in section 285 of FSMA) or another stock exchange outside the UK on which shares in the capital of the Company are normally traded or shown to the satisfaction of the Board to be made in consequence of a bona fide sale to an unconnected person (an “excepted transfer”); or
 - (B) the member is not himself in default in supplying the information required and the member proves to the satisfaction of the Board that no person in default in supplying the information required is interested in any of the shares the subject of the transfer; or
 - (C) registration of the transfer is required by the Uncertificated Securities Regulations 2001.

6.4.2 These sanctions cease to apply seven days after the earlier of receipt by the Company of:

- (a) notice of registration of an excepted transfer, in relation to the default shares the subject of the excepted transfer; and
- (b) all information required by the section 793 notice, in a form satisfactory to the Board, in relation to any default shares.

6.5 **Distribution of assets on a winding-up**

If the Company shall be wound up voluntarily, the liquidator may, with the authority of a special resolution and any sanction required by law, divide among the members (excluding any members holding shares as treasury shares) in kind the whole or any part of the assets of the Company and whether or not the assets consist of property of one kind or of different kinds and may for this purpose set such value as he deems fair on any class or classes of property and may determine on the basis of that valuation and in accordance with the then existing rights of members how such division shall be carried out as between the members or different classes of members. The liquidator may, with the same authority, vest any part of the assets in trustees upon such trusts for the benefit of members as the liquidator shall think fit but so that no member shall be compelled to accept any asset in respect of which there is a liability or potential liability.

6.6 **Changes in capital**

6.6.1 Subject to the Act, the Company may by ordinary resolution:

- (a) consolidate all or any of its share capital into shares of a larger amount than its existing shares; and
- (b) sub-divide all or any of its shares into shares of a smaller amount and may by the resolution determine that the shares resulting from such sub-division may have any preferred or other special rights or be subject to any restrictions, as compared with the others.

6.6.2 Subject to the Statutes and without prejudice to any special rights attached to any existing shares or class or shares, any share in the Company may be issued with or have attached to them such special rights, conditions or restrictions as the Company may by ordinary resolution direct or failing such direction (but in the case of unclassified shares only) as the Board may determine.

6.6.3 Subject to the Statutes and to the authority contained in a resolution of the Company in general meeting creating or authorising the same, the Board is generally and unconditionally authorised to allot or grant options over, offer of otherwise deal with or dispose of any unissued shares in the capital of the Company or right to subscribe for or convert any security

into shares to such persons, at such times and for such consideration and generally on such terms and conditions as it may determine.

- 6.6.4 The Company may issue shares which are to be redeemed or are liable to be redeemed at the option of the Company or of the member and the Directors may determine the terms, conditions and manner of redemption of any such shares.

6.7 Variation of class rights and class meetings

- 6.7.1 Subject to the Statutes, the rights attached to any class of shares may be modified, varied or abrogated:

- (a) in such manner (if any) as may be provided by those rights; or
- (b) in the absence of any such provision, either with the consent in writing of the holders of at least three quarters in nominal value of the issued shares of the class (excluding any shares of that class held as treasury shares) or with the sanction of a special resolution passed at a separate meeting of the holders of that class and then only subject to section 633 of the Act.

- 6.7.2 The rights attached to any class of share are not, unless otherwise expressly provided by the New Articles or in the rights attaching to the shares of that class, deemed to be modified, varied or abrogated by the creation or issue of further shares ranking *pari passu* (save as to the date from which such further shares shall rank for dividend) with every other share of that class or subsequent to them or by the purchase or redemption by the Company of its own shares in accordance with the Statutes and the New Articles.

- 6.7.3 A separate meeting for the holders of a class of shares shall be convened and conducted as nearly as possible in the same way as a general meeting except that the necessary quorum (other than at an adjourned meeting) is two persons, present in person or by proxy, holding or representing by proxy at least one third in nominal value of the capital paid up on the issued shares of the class (excluding any shares of that class held as treasury shares) and, at an adjourned meeting, one person holding shares of the class in question present in person or by proxy and any holder of shares of the class in question present in person or by proxy and entitled to vote at the meeting may demand a poll and shall be entitled on a poll to one vote for every share of that class of which he is the holder. No member, other than a Director, is entitled to notice of a separate class meeting or to attend unless he is a holder of shares of that class and no vote may be given except in respect of a share of that class.

6.8 General meetings

- 6.8.1 The Board may convene general meetings. The Board must convene a general meeting on receipt of a requisition in accordance with the Statutes or, in default, a general meeting may be convened by such requisitionists, as provided by the Statutes. If at any time there are not sufficient Directors capable of acting to form a quorum of the Board any Director or any one member may convene a general meeting.

- 6.8.2 At least 21 clear days' notice of every annual general meeting and at least 14 clear days' notice of every other general meeting shall be given to such members as are, under the New Articles, or the terms of issue of shares, entitled to receive such notices from the Company and to the Directors and the auditors.

- 6.8.3 No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business. Two persons entitled to vote, each being a member or a proxy for a member or a duly authorised representative of a corporation which is a member, shall be a quorum at any general meeting including, without limitation, any adjourned general meetings. The absence of a quorum does not prevent the appointment of a chairman in accordance with the New Articles, which is not treated as part of the business of the meeting.

- 6.8.4 The Board may make any arrangement and impose any restriction it considers appropriate to ensure the security of a meeting including, without limitation, the searching of a person

attending the meeting and the restriction of the items of personal property that may be taken into the meeting place. The Board is entitled to refuse entry to a meeting to a person who refuses to comply with these arrangements or restrictions.

- 6.8.5 At a general meeting, a resolution put to the vote of the meeting is decided on a show of hands unless, before a vote on a show of hands on that resolution or immediately after the declaration of the result of the show of hands, a poll is demanded by: the chairman of the meeting; or the Directors; or no fewer than five members present in person or by proxy and entitled to vote at the meeting; or a member or members present in person or by proxy and representing in aggregate not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or by a member or members present in person or by proxy holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.
- 6.8.6 In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll was demanded shall be entitled to a second or casting vote in addition to any other vote he may have.
- 6.8.7 A proxy need not be a member and a member may appoint one or more than one person to act as his proxy. On a poll votes may be given in person or by proxy and a member entitled to more than one vote need not, if he votes, use all of his votes or cast all the votes he uses in the same way.

6.9 **Transfer of shares**

- 6.9.1 Subject to the New Articles, any member may transfer all or any of his certificated shares by instrument of transfer in any usual form or in such other form as the Board may approve and the instrument must be executed by or on behalf of the transferor and (except in the case of a share which is fully paid up) by or on behalf of the transferee but need not be under seal. The transferor is deemed to remain the holder of the share until the name of the transferee is entered in the register of members in respect of it. Transfers of shares in uncertificated form shall be effected by means of the relevant system in accordance with the Statutes and the New Articles.
- 6.9.2 Subject to the New Articles, the Board may refuse to register a transfer of a certificated share unless the instrument of transfer is:
- (a) in respect of only one class of shares;
 - (b) in favour of not more than four joint transferees;
 - (c) duly stamped (if required);
 - (d) not in favour of a minor, infant, bankrupt or person with mental disorder; and
 - (e) lodged at the registered office of the Company or such other place as the Board may decide accompanied by the certificate for the shares to which it relates (save in the case of a transfer by a recognised person to whom no certificate was issued) and such other evidence (if any) as the Board may reasonably require to prove the title of the transferor and the due execution by him of the transfer or, if the transfer is executed by some other person on his behalf, the authority of that person to do so.
- 6.9.3 The Board may in its absolute discretion and without assigning any reasons therefor, refuse to register any transfer of a certificated share which is not fully paid, provided that this discretion may not be exercised in such a way as to prevent dealings in the shares from taking place on an open and proper basis.
- 6.9.4 The Board may, in circumstances permitted by the FCA and the London Stock Exchange, disapprove the transfer of a certificated share provided that exercise of such powers does not disturb the market in the shares.

- 6.9.5 The Board may refuse to register the transfer of an uncertificated share in any circumstances permitted by the FCA, the London Stock Exchange, the Uncertificated Securities Regulations (2001) and the rules and practices of the operator of the relevant system provided that exercise of such powers does not disturb the market in the shares.
- 6.9.6 Other than as set out above or as required by statute, there are no restrictions on the transfer of fully paid shares.
- 6.9.7 Other than as provided by sections 974 to 991 of the Act and the City Code, there are no rules or provisions relating to mandatory takeover bids and/or squeeze-out and sellout rules in relation to the Ordinary Shares.

6.10 Pre-emption rights on allotment

In certain circumstances, the Company's shareholders may have statutory pre-emption rights under the Act in respect of the allotment of new shares in the Company. These statutory pre-emption rights would require the Company to offer new shares for allotment to existing shareholders on a pro rata basis before allotting them to other persons. In such circumstances, the procedure for the exercise of such statutory pre-emption rights would be set out in the documentation by which such shares would be offered to the Company's shareholders.

6.11 Directors

6.11.1 *Number and appointment of Directors*

Unless and until otherwise determined by the Company by ordinary resolution the number of Directors is not subject to a maximum but must not be fewer than two. The Company may, by ordinary resolution, appoint a person who is willing to act to be a Director. The Board may appoint a person who is willing to act to be a Director, either to fill a vacancy or as an addition to the Board, but the total number of Directors may not exceed a maximum number fixed in accordance with the New Articles. A Director so appointed shall hold office only until the dissolution of the annual general meeting following next after his appointment, unless he is reappointed during the meeting. A Director so retiring shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting.

6.11.2 *Executive Directors*

The Board may appoint one or more of its body to hold executive office, including the office of managing or joint or assistant managing director or to any other office (save that of auditor) or employment in the Company. Any such appointments shall be on such terms (including remuneration) and for such period as the Board may determine, subject to the Statutes. The appointment of any Director to any executive office may be terminated by the Board, without prejudice to any claim he may have for damages for breach of contract. A Director appointed to any executive office shall not automatically cease to be a Director if he ceases from any cause to hold that executive office. The Board may delegate to a Director holding any executive office any of the powers, authorities and discretions exercisable by the Board for such time and on such terms and conditions as it thinks fit.

6.11.3 *Retirement by rotation*

Each Director shall retire from office at the third annual general meeting after that at which he was last elected. A Director who retires at an annual general meeting, whether by rotation or otherwise, may, if willing to act, be reappointed. The Company, at the meeting at which a Director retires by rotation, may fill the vacated office and, if it does not do so, the retiring Director is, if willing, deemed reappointed, unless at such meeting it is expressly resolved not to fill such vacated office or unless a resolution for the reappointment of such Director is put to the meeting and lost.

6.11.4 *Fees, expenses, remuneration and benefits*

- (a) There shall be available to be paid out of the funds of the Company to the Directors as fees in each year an aggregate sum not exceeding £750,000 as the Board may determine, such sum to be divided among such Directors in such proportions as the

Board may decide or, in default of agreement, equally. The Company may by ordinary resolution increase the amount of the fees payable. A fee payable pursuant to this paragraph is distinct from any salary, remuneration or other amount payable to him under any other article in the New Articles and accrues from day to day.

- (b) The Directors are entitled to be repaid all reasonable travelling, hotel and other expenses properly incurred by them in the performance of their duties as Directors, including their expenses of travelling to and from meetings of the Board or committees of the Board or general meetings or separate meetings of the holders of a class of shares and any expenses incurred by them in obtaining independent professional advice.
- (c) The remuneration of a Director appointed to hold employment or executive office in accordance with the New Articles may be a fixed sum of money or in whole or in part by participation in profits or otherwise as the Board may determine and may be in addition to or instead of a fee payable to him for his services as Director pursuant to the New Articles. The Board may grant reasonable additional remuneration and expenses to any Director who, at the request of the Board goes or resides abroad or renders any special or extra services to the Company, which may be paid by way of a lump sum, participation in profits or otherwise as the Board may determine.
- (d) The Board may establish and maintain a pension scheme for the benefit of any persons who are or were employees of or who have been Directors of the Company or of any company which is or was a member of the Group. Subject to the Statutes, the Board may establish and maintain any employees' share scheme for the benefit of employees (including Directors) of the Company.

6.11.5 *Directors' interests*

Subject to the Statutes and the New Articles, a Director, notwithstanding his office:

- (a) may hold any other office or place of profit with the Company (except that of auditor) in conjunction with his office of director and on such terms as to remuneration and otherwise as the Board may arrange. Any Director may act by himself or through his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for such professional services;
- (b) may enter into or otherwise be interested in a contract, arrangement, transaction or proposal with the Company or in which the Company is otherwise interested either in connection with his tenure of an office or place of profit and either as vendor, purchaser or otherwise;
- (c) may be a member or director or other officer of or employed by or a party to a contract, transaction, arrangement or proposal with or be otherwise interested in a company promoted by the Company or in which the Company is otherwise interested;
- (d) unless otherwise agreed, is not liable to account to the Company for any remuneration, profit or other benefit received by him by virtue of such office, employment, contract, arrangement, transaction or proposal and no such contract, arrangement, transaction or proposal is avoided on the grounds of any such interest or benefit; and
- (e) shall not infringe his duty to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company as a result of any such office, employment, contract, arrangement, transaction or proposal or interest.

6.11.6 *Voting restrictions*

- (a) Except as provided below, a Director may not vote in respect of any contract, arrangement, transaction or proposal to which the Company is or is to be a party and in which he is, to his knowledge, materially interested, directly or indirectly, otherwise than by a virtue of his interest in shares or debentures or other securities of or otherwise in or through the Company. This prohibition does not apply to any resolution concerning any of the following matters namely:

- (i) the giving to him of a guarantee, security or indemnity in respect of money lent or obligations incurred by him or by any other person at the request of or for the benefit of the Company or any of its subsidiary undertakings;
 - (ii) the giving to a third party of a guarantee, security or indemnity in respect of a debt or obligation of the Company or any of its subsidiary undertakings for which he himself has assumed responsibility, in whole or in part, under a guarantee or indemnity or by the giving of security;
 - (iii) a contract, arrangement, transaction or proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiary undertakings for subscription or purchase in which offer he is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which the Director is to participate;
 - (iv) a contract, arrangement, transaction or proposal to which the Company is or is to be a party concerning any other company in which he is interested directly or indirectly and whether as an officer or shareholder or otherwise ("relevant company"), if he is not, directly or indirectly, the holder or beneficially interested in one per cent or more of a class of equity share capital of the relevant company (calculated exclusive of any shares of that class in that relevant company held as treasury shares) or of the voting rights available to members of the relevant company or able to cause one per cent or more of those voting rights to be cast at his direction;
 - (v) a contract, arrangement, transaction or proposal concerning the adoption, modification or operation of a pension, superannuation or similar scheme or retirement, death or disability benefits scheme or personal pension plan or employees' share scheme under which he may benefit and which has been approved by or is subject to and conditional on approval by the Board of HMRC for taxation purposes or which does not accord to any Director as such any privilege or benefit not accorded to the employees to whom the scheme or fund relates;
 - (vi) a contract, arrangement, transaction or proposal for the benefit of employees of the Company or any of its subsidiary undertakings under which the Director benefits in a similar manner to the employees and which does not accord to any Director as such any privilege or benefit not accorded to the employees to whom it relates; or
 - (vii) a contract, arrangement, transaction or proposal concerning the maintenance or purchase of any insurance policy which the Company is empowered to purchase and/or maintain for the benefit of Directors or for the benefit of persons including Directors.
- (b) A Director may not vote or be counted in the quorum on a resolution of the Board or committee of the Board concerning his own appointment (including fixing or varying the terms of his appointment or its termination) as the holder of an office or place of profit with the Company or any company in which the Company is interested.

6.12 Powers of the Board

Subject to the Statutes, the memorandum of association of the Company and the New Articles and to directions given by the Company in general meeting, the business of the Company shall be managed by the Board, which may exercise all the powers of the Company.

6.13 Voting

Questions arising at any meeting of the Board shall be decided by a majority of votes. In the case of an equality votes, the chairman of the meeting shall have a second or casting vote.

6.14 Other relevant laws and regulations

6.14.1 *Disclosure of interests in shares*

- (a) A shareholder in a public company incorporated in the UK whose shares are admitted to trading on AIM is required pursuant to rule 5 of the Disclosure and Transparency Rules to notify the company of the percentage of his voting rights if the percentage of voting rights which he holds as a shareholder or through his direct or indirect holding of financial instruments reaches, exceeds or falls below certain thresholds.
- (b) Pursuant to Part 22 of the Act and the New Articles, the Company is empowered by notice in writing to require any person whom the Company knows, or has reasonable cause to believe to be interested in the Company's shares or, to have been so interested at any time during the three years immediately preceding the date on which the notice is issued, within a reasonable time to disclose to the Company particulars of any interests, rights, agreements or arrangements affecting any of the shares held by that person or in which such other person as aforesaid is interested.

6.14.2 Takeovers

- (a) As a public limited company incorporated and centrally managed and controlled in the UK, the Company is subject to the City Code. The Takeover Panel has statutory powers to enforce the City Code in respect of companies whose shares are admitted to trading on AIM.
- (b) Under Rule 9 of the City Code, a person who acquires, whether by a single transaction or by a series of transactions over a period of time, shares which (taken with shares held or acquired or acquired by persons acting in concert with him) carry 30 per cent. or more of the voting rights of a company, such person is normally required to make a general offer to all shareholders of that company at not less than the highest price paid by him or them or any persons acting in concert during the offer period and in the 12 months prior to its commencement.
- (c) Further, pursuant to sections 979 to 982 of the Act, where the offeror has by way of a takeover offer as defined in section 974 of the Act acquired or unconditionally contracted to acquire not less than 90 per cent. in value of the shares to which an offer relates and where the shares to which the offer relates represent not less than 90 per cent. of the voting rights in the company to which the offer relates, the offeror may give a compulsory acquisition notice, to the holder of any shares to which the offer relates which the offeror has not acquired or unconditionally contracted to acquire and which he wishes to acquire and is entitled to so acquire, to acquire those shares on the same terms as the general offer.
- (d) Pursuant to sections 983 to 985 of the Act, where an offeror makes a takeover offer as defined by section 974 of the Act and, by virtue of acceptances of the offer and any other acquisitions holds not less than 90 per cent. of the shares in the target (or if the offer relates to a class of shares 90 per cent. of the shares in that class) and which carry not less than 90 per cent. of the voting rights in the target then a minority shareholder may require the offeror to acquire his shares in the target.

6.15 Change to the articles of association of the Company

The principal changes from the Existing Articles are:

- (a) the share capital is divided into ordinary, deferred and preference shares, and the terms of the deferred and preference shares have been included.
- (b) removal of the role and ability to appoint a President.
- (c) the borrowing power has been adjusted by the removal of the limit on the undischarged amount of all borrowed funds.
- (d) notices are now deemed to be received 24 hours after the notice has been posted (if first class) or 48 hours after it was posted (if second class) instead of being deemed to have been received immediately after it was put in the post.
- (e) fully paid shares can no longer be converted into stock.

- (f) the required notice for calling a general meeting where a special resolution is being considered is reduced from 21 to 14 days.
- (g) communication to shareholders by electronic means is permitted.
- (h) a limit of £750,000 has been inserted on the amount of Directors' fees, which can be changed by ordinary resolution.
- (i) under the Act companies no longer require enabling provisions in their articles in order to (i) reduce the share capital and (ii) purchase their own shares. The New Articles do not therefore contain such provisions.
- (j) each Director shall now retire from office at the third annual general meeting after that at which he was last elected.

7. DIRECTORS' AND PROPOSED DIRECTORS' INTERESTS

7.1 The interests of each of the Directors and the Proposed Directors in the ordinary share capital of the Company (all of which are beneficial) which have been or will be required to be notified to the Company pursuant to Section 5 of the Disclosure and Transparency Rules which will be required to be maintained under the provisions of Section 808 of the Act, or which are interests of a person connected with any of the Directors or Proposed Directors (within the meaning of Section 252 of the Act, which interests would be required to be disclosed pursuant to the Disclosure and Transparency Rules), and the existence of which is known to the Directors and the Proposed Directors or could with reasonable diligence be ascertained by them as at the Latest Practicable Date and as at Admission are as set out below:

<i>Director</i>	<i>Number of Ordinary Shares held as at the Latest Practicable Date</i>	<i>Percentage of Ordinary Shares held as at the Latest Practicable Date</i>	<i>Number of New Ordinary Shares to be acquired pursuant to the Proposals</i>	<i>Number of Ordinary Shares as at Admission</i>	<i>Percentage of Enlarged Share Capital as at Admission</i>
P M Bertram	2,812,500	1.02	2,500,000	2,781,250	0.66
M Wood	Nil	–	2,500,000	2,500,000	0.60
N Patel	1,430,500	0.52	1,000,000	1,143,050	0.27
T Hoare	9,161,000	3.31	5,000,000	5,916,100	1.41
L O Johnson	Nil	–	50,000,000	50,000,000	11.92
J Goodwin	Nil	–	12,766,660	12,766,660	3.04

The above table does not include the interests of each of the Directors or the Proposed Directors in options over Ordinary Shares as at the date of this document.

7.2 As at the Latest Practicable Date, the Directors held options over the Company's shares as follows under the Share Option Scheme:

<i>Director</i>	<i>Number of Options Awarded</i>	<i>Exercise Price (p)</i>	<i>Date of Grant</i>	<i>Exercise Period</i>
P M Bertram	2,250,000	2.5	10.05.12	10.05.12-10.05.22
N Patel	2,250,000	2.5	10.05.12	10.05.12-10.05.22

7.3 Save as disclosed in this document, none of the Directors or Proposed Directors is or has been interested in any transaction which is or was unusual in its nature or conditions or significant to the business of the Company and which was effected by the Company and remains in any respect outstanding or unperformed.

7.4 Save as disclosed in this document, no Director or Proposed Director has or has had any interest, whether direct or indirect in any assets which have been acquired by, disposed of by, or leased to, any member of the Enlarged Group or which are proposed to be acquired by, disposed of by, or leased to, any member of the Enlarged Group.

8. SUBSTANTIAL SHAREHOLDERS

- 8.1 As at the Latest Practicable Date, save as set out below, the Company was not aware of any person, who, directly or indirectly, had an interest representing 3 per cent. or more of the issued ordinary share capital (being the threshold at or above which, in accordance with the provisions of Section 5 of the Disclosure and Transparency Rules, any interest must be disclosed by the Company):

	<i>Ordinary Shares held</i>	<i>Percentage of issued share capital</i>
Herald Investment Trust	95,567,428	34.54
John Booth and the John Booth Charitable Foundation	30,463,550	11.01
Banque Heritage	27,541,055	9.95
Artemis Alpha Trust plc	21,575,800	7.80
Caldwell Management AG	12,484,305	4.51
Bob Geldof	15,124,728	5.47
Caldwell Management	12,484,305	4.51
UBS Wealth Management	10,206,695	3.69
Timothy Hoare	9,161,000	3.31

Immediately following Admission, the following persons are expected to be, directly or indirectly interested in 3 per cent. or more of the voting rights or issued share capital of the Company (being the threshold at or above which, in accordance with the provisions of Section 5 of the Disclosure and Transparency Rules, any interest must be disclosed by the Company):

	<i>Ordinary Shares held</i>	<i>Percentage of issued share capital</i>
Herald Investment Trust	144,870,422	34.54
Artemis Alpha Trust plc	65,307,978	15.57
Risk Capital Partners LLP ¹	50,000,000	11.92
Broadwalk Asset Management LLP	27,500,000	6.56
John Booth and the John Booth Charitable Foundation	27,146,355	6.47
N+1 Singer	19,050,000	4.54
Charles Street Securities LLP	15,000,000	3.58

¹ Luke Johnson, proposed director of the Company, is a member of Risk Capital Partners LLP and therefore beneficially interested in the 50,000,000 Ordinary Shares held by Risk Capital Partners LLP

These figures relating to the percentage of the Enlarged Total Voting Rights as at Admission are based upon the assumption that all of the New Ordinary Shares are subscribed for under the Placing and the Subscription.

- 8.2 Herald Investment Trust plc, Herald Investment Management Limited, Herald Venture Limited Partnership, Herald Venture Limited Partnership II and Herald Venture Limited Partnership III are deemed to be acting in concert (as defined in, and for the purposes of, the Takeover Code) by reason of the investments of each such entity being managed since their inception by Herald Investment Management Limited. Directors and key employees of Herald are also deemed to be in concert with them. John Booth, a director of Herald, holds Ordinary Shares directly in his own name and beneficially through JBCF.
- 8.3 Save as disclosed in this document and, in particular paragraphs 8.1 and 8.2 above, the Directors and the Proposed Directors are not aware of any person who directly, or indirectly, jointly or severally, exercises or could exercise control over the Company.
- 8.4 The Company's shareholders listed in paragraph 8.1 above do not have voting rights preferential to other holders of Ordinary Shares.
- 8.5 Save as disclosed in this document, the Directors are not aware of any arrangements in place or under negotiation which may, at a subsequent date, result in a change of control of the Company.

9. ADDITIONAL INFORMATION ON THE DIRECTORS AND PROPOSED DIRECTORS

9.1 Other than directorships of the Company, the Directors and the Proposed Directors have held the following directorships or been partners in the following partnerships within the five years prior to the date of this document:

<i>Name</i>	<i>Current Directorships and Partnerships</i>	<i>Past Directorships and Partnerships</i>
<i>Peter Bertram (aged 61)</i>	Microgen Plc Phoenix IT Group PLC Reading Blue Coat School Ten Alps Communicate Ltd Vision Royle Limited	Aghoco 1000 Limited Amalgamated Racing Limited Datawest Computer Services Limited ICM Computer Group Limited Microskill (Services) Limited NDR (Holdings) Limited Network Disaster Recovery Limited Phoenix IT Computer Group (Scotland) Limited Phoenix IT Continuity and Resilience Services Limited Phoenix IT Continuity Consulting Limited Phoenix IT Managed Services Limited Phoenix IT Services Limited Phoenix IT Trustees Limited Psion Holdings Limited Servo Computer Services Limited Symtec UK Ltd Telectronics Systems Limited Timeweave Bookmaking and Finance (Holdings) Limited Timeweave Limited Timeweave Retail Limited Timeweave Washosp Limited Trend Network Services VHA Limited
<i>Mark Wood (aged 63)</i>	Citywire Holdings Limited Future Plc Ten Alps Communications Limited	A&S Publishing Company Limited Body in Balance Ltd Future Holdings 2002 Limited Future IP Limited Future Publishing Holdings Limited Future Publishing Limited Future Publishing (Overseas) Limited Futurefolio Limited Professional Publishers Association Ltd
<i>Nitil Patel (aged 44)</i>	Atalink Limited Blakeway Productions Limited Brook Lapping Productions Limited Carins Veterinary Books and Supplies Limited	3 BM TV Limited Able Debt Collection Limited A Victim of Peace Ltd Below the Radar Ltd County Link Media Ltd Education Digital Limited

<i>Name</i>	<i>Current Directorships and Partnerships</i>	<i>Past Directorships and Partnerships</i>
<i>Nitil Patel (aged 44) (continued)</i>	Children's Traffic Club Limited DBDA Limited Films of Record Limited Grove House Publishing Limited Index Media Limited Influence Creative and Media Limited Inspire Creative and Media (Edinburgh) Limited Inspire Creative and Media (Fareham) Limited Interact Digital Media Limited Interface Media Services Limited Link 2 Trade Limited Newton Project Limited Planet 64 Limited Schoolsworld Limited T.G. Scott & Son Limited Teach Pro Limited Ten Alps Agency Ltd Ten Alps Communicate Ltd Ten Alps Communications Limited Ten Alps Creative and Media Limited Ten Alps Media Limited Ten Alps Publishing Limited Ten Alps RMA Limited Ten Alps TV Limited Ten Alps Vision (Edinburgh) Limited	Education Digital Management Limited Hart Davies TV Limited In Business Media Limited Inspire Creative and Media Limited Interact Media and Creative Limited Museums and Galleries Limited Sovereign Publications Limited Ten Alps Digital Limited Ten Alps Live Limited Ten Alps MTD Limited Yozza Limited
<i>Timothy Hoare (aged 65)</i>	Cocking Shoot LLP Dragonfield Investments Limited	Canaccord Genuity Securities Limited
<i>Luke Johnson (aged 53)</i>	3sixty Restaurants Limited AKA Group Limited Arden Partners Plc Assembly Festival Limited Beak Street Films Limited Bread Acquisitions Ltd Bread Holdings Ltd Buffet Restaurants Limited The Career Colleges Company (UK) Limited Cedar Pharma Limited Centre for Entrepreneurs Limited Chrysalis Vision Limited The Cobden Club Limited Cradley Brook Limited Cruise.Co (Holdings) Limited The Curious Cook Limited Draft House Holding Limited Ego Group Limited Ego Restaurants Limited Ego Restaurants Holdings Limited Feng Sushi Limited Fiery Dragons Ltd	Action on Addiction APT Controls Limited Automotive Repair Solutions Limited Borders (UK) Limited Clear Leisure plc Contiga Capital Management LLP E2Exchange Ltd Flour Power City Limited Forestrox Limited Giraffe Concepts Limited Harbour & Jones Limited Interquest (UK) Limited Interquest Group plc Metro Bank plc Metrodome Group Limited Phaidon Press Limited Playful Productions LLP RSA Academies RSA Adelphi Enterprises Limited Seafood Holdings Ltd Seafood Property Holdings LLP Startup Britain Limited The Bishopsgate Foundation Zoggs Acquisitions Limited

<i>Name</i>	<i>Current Directorships and Partnerships</i>	<i>Past Directorships and Partnerships</i>
<i>Luke Johnson (aged 53) (continued)</i>	<p>The Generation of Z Limited The Genuine Dining Co. Limited Grand Union Company Limited Halesend Estate Limited Hermitage Valley Limited ICR Enterprises Limited Institute of Cancer Research: Royal Cancer Hospital (The) London 8 Limited Majestic Bingo Limited Majestic Bingo Online Ltd Neilson Active Holidays (Holdings) Limited Patisserie Acquisition Limited Patisserie Holdings Plc Patisserie Valerie Holdings Limited Penyard House Acquisition Limited Poseidon House Management Limited Recruitment Capital Partners LLP Risk Capital Limited Risk Capital Partners II (GP) Limited Risk Capital Partners II (Scotland) Limited Risk Capital Partners LLP Spice Bakery Limited Superbrands Limited Synarbor Plc Theatre Investment Funds Limited Westbourne Communications Limited Zoggs Acquisitions Limited Zoggs Group Limited</p>	
<i>Jonathan Goodwin (aged 42)</i>	<p>AAP (Sponsor) PTL Corp Atlantic Alliance Partnership Corporation Boat Bidco Limited Boat International Group Limited Centre for Policy Studies Limited ChemD Holdings Limited Eclipse Film Partners No.35 LLP Founders Forum LLP Founders Forum for Good Ltd Harlequin Nominees Ltd Imagine No.1 LLP Imagine No.2 LLP J Goodwin (CM) Limited Lepe Partners Finance Limited Lepe Partners LLP The Towcester Racecourse Company Limited (The) Venrex II LLP</p>	<p>Hotspring Ventures Limited</p>

9.2 *Mark Wood*

9.2.1 Mark Wood was a director of Library and Information Commission when it was put into liquidation. The company appointed joint liquidators on 19 November 2000 and was dissolved on 14 September 2001.

9.2.2 Mark Wood was a director of Body in Balance Ltd in the 12 months prior to it being placed into administration on 4 November 2011. Mark resigned a director on 7 March 2011. The company was placed into liquidation on 23 January 2013 pursuant to a creditors voluntary arrangement.

9.3 *Luke Johnson*

9.3.1 Luke Johnson was a director of the following companies when they were put into administrative receivership:

Just Tyres Holdings Limited	The company entered administrative receivership on 11 October 2001. The company was dissolved on 17 July 2007.
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Autostop Network Limited	The company entered administrative receivership on 11 October 2001. The company was dissolved on 12 August 2003.
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International Tyre Brands Limited	The company entered administrative receivership on 11 October 2001. The company was dissolved on 17 July 2007.
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J T Realisation Limited	The company entered administrative receivership on 11 October 2001. The company was dissolved on 17 July 2007.
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Joltburly Limited	The company entered administrative receivership on 11 October 2001. The company was dissolved on 12 August 2003.
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Main Road Properties Limited	The company entered administrative receivership on 11 October 2001. The company was dissolved on 17 July 2007.
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S T Realisation Limited	The company entered administrative receivership on 11 October 2001. The company was dissolved on 17 July 2007.
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9.3.2 Luke Johnson was a director of the following companies in the 12 months prior to them being put into administrative receivership:

Sunday Business Newspapers Limited	The company entered administrative receivership on 22 July 1997 after Luke Johnson resigned as a director on 11 March 1997. The company was dissolved on 30 August 2002.
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Utility Cable PLC	The company entered administrative receivership on 14 September 1998 after Luke Johnson resigned as a director on 22 May 1998. The company was dissolved on 2 August 2007.
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9.3.3 Luke Johnson was a director of the following companies when they were put into liquidation:

Income Tax Professionals Limited	The company entered creditors' voluntary liquidation on 2 June 1999 and the company was dissolved on 23 September 2003.
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The Cobden Club Limited	The company entered members' voluntary liquidation on 16 July 2013 and is currently in liquidation.
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Venice Bidder Limited	The company entered a members' voluntary liquidation on 8 August 2003 and was dissolved on 15 February 2006.
Venice Bond Limited	The company entered a members' voluntary liquidation on 8 August 2003 and was dissolved on 16 February 2006.
Venice Equity Limited	The company entered a members' voluntary liquidation on 8 August 2003 and was dissolved on 16 February 2006.
Venice Mezz Limited	The company entered a members' voluntary liquidation on 8 August 2003 and was dissolved on 16 February 2006.

9.3.4 Luke Johnson was a director of Automotive Repair Solutions Limited in the 12 months prior to it being put into liquidation. Luke Johnson resigned as a director on 4 October 2011 and the company was wound up by the court on 3 September 2012.

9.3.5 Luke Johnson was a director of the following companies in the 12 months prior to them being put into administration:

Bookshop Acquisitions Ltd	The company entered administration on 30 November 2009 after Luke Johnson resigned as a director on 16 July 2009. The company was dissolved on 22 February 2013.
Borders (UK) Limited	The company entered administration on 26 November 2009 after Luke Johnson resigned as a director on 16 July 2009. The company was dissolved on 27 August 2011.

9.4 Save as disclosed in paragraphs 9.2 and 9.3, none of the Directors or Proposed Directors has:

- 9.4.1 any unspent convictions in relation to indictable offences;
- 9.4.2 had any bankruptcy order made against him or entered into any voluntary arrangements;
- 9.4.3 been a director of a company which has been placed in receivership, compulsory liquidation, administration, been subject to a voluntary arrangement or any composition or arrangement with its creditors generally or any class of its creditors, whilst he was a director of that company or within the 12 months after he had ceased to be a director of that company;
- 9.4.4 been a partner in any partnership which has been placed in compulsory liquidation, administration or been the subject of a partnership voluntary arrangement, whilst he was a partner in that partnership or within the 12 months after he ceased to be a partner in that partnership;
- 9.4.5 been the owner of any asset which has been placed in receivership or a partner in any partnership which has been placed in receivership whilst he was a partner in that partnership or within the 12 months after he ceased to be a partner in that partnership;
- 9.4.6 been publicly criticised by any statutory or regulatory authority (including recognised professional bodies); or
- 9.4.7 been disqualified by a court from acting as a director of any company or from acting in the management or conduct of the affairs of a company.

10. DIRECTORS' AND PROPOSED DIRECTORS' SERVICE CONTRACTS AND REMUNERATION

10.1 Details of the Directors' service agreements and letters of appointment are set out below:

10.1.1 Peter Bertram

On 28 January 2011, Peter entered into a letter of appointment with the Company pursuant to which his appointment as Chairman of the board for an initial term of three years was confirmed. His appointment is terminable by either party giving to the other six months' notice in writing. The fee payable to Peter is £50,000 per annum.

10.1.2 Mark Wood

On 12 December 2014, Mark entered into a service agreement with the Company pursuant to which his appointment as a Director was confirmed. His appointment is terminable by either party giving the other twelve months' notice. Mark is entitled to a salary of £200,000 per annum, which is subject to review on 1 January each year. Mark is entitled to participate in the Company's discretionary bonus scheme but does not receive any pension contributions from the Company.

10.1.3 Nitil Patel

Nitil entered into a service agreement with the Company in April 2008 pursuant to which his appointment as a Director was re-confirmed. His appointment is terminable on twelve months' written notice by either party. Nitil is entitled to a salary of £155,000 per annum, which is subject to review on 1 January each year. The Company makes annual contributions of £25,000 to Nitil's personal pension scheme.

10.1.4 Timothy Hoare

Timothy Hoare does not have a formal letter of appointment with the Company but was entitled to an annual fee of £50,000 and expenses. Following his resignation he will be paid £50,000 in respect of his accrued but unpaid fees to be settled by the issue of 2,500,000 Ordinary Shares.

10.2 It was agreed that Bob Geldof will be paid £100,000 to be settled by the issue of 5,000,000 Ordinary Shares in settlement of the outstanding fees which were due to him prior to his resignation on 16 June 2015.

10.3 Luke Johnson and Jonathan Goodwin have entered into letters of appointment with the Company pursuant to which they have been appointed as directors of the Company with effect from Completion. The appointments will be for an initial term of three years and are terminable on 90 days notice. The fees payable are £30,000 per annum payable in cash or shares. It has been agreed that Timothy Hoare will resign as a Director immediately following the conclusion of the General Meeting.

10.4 The total aggregate remuneration payable to the Directors and Proposed Directors by the Company under the arrangements in force at the date of this document in respect of the financial year ending 30 June 2015 (accounting for Timothy Hoare's resignation at the conclusion of the General Meeting), is estimated to be approximately £455,000 excluding benefits and any VAT payable thereon.

11. EMPLOYEES

As at the date of this document, the Company has 185 employees and, following Completion, the Enlarged Group will have 200 employees.

12. PRINCIPAL ESTABLISHMENT

The Company's head office, principal place of business and principal establishment is at 13th Floor, Portland House, Bressenden Place, London SW1E 5BH.

13. MATERIAL CONTRACTS

13.1 The only contracts, not being contracts entered into in the ordinary course of business, which have been entered into by the Company (i) within the two years immediately preceding the date of this

document and are, or may be material to the Company; or (ii) which contain any provision under which the Company or any of its subsidiaries has any obligation or entitlement which is or may be material to the Group as at the date of this document:

13.1.1 *Acquisition Agreement*

A share purchase agreement dated 16 June 2015 and made between (1) the Company, (2) the Vendors (the "Acquisition Agreement"), under which the Company has agreed to acquire the entire issued share capital of Reef Television Limited for an initial cash consideration of £2 million. In addition, the Company has issued non-interest bearing loan notes to the Vendors which will be repaid in cash and/or Ordinary Shares at the Company's option (subject to a 50 per cent. maximum in respect of Ordinary Shares) and the Vendors are entitled to the Deferred Consideration in the event that the gross profit of Reef is above a threshold of £1,500,000 for each of the three financial years ending 30 June 2016, 30 June 2017 and 30 June 2018. An additional amount of earn-out consideration is payable if the gross profit for the three financial years ending 30 June 2018 is above £6 million, and on condition that Ten Alps considers acting reasonably, that the forecasts for the period from 1 July 2018 to 30 June 2019, supported by a robust order book, are equal to or higher than those for the period from 1 July 2017 to 30 June 2018, the excess gross profit will be shared equally (i.e. 50 per cent. of such excess will be paid to the Vendors) and will be settled in cash and up to 50 per cent. in Ordinary Shares. The Loan Note Consideration and Deferred Consideration will be subject to a maximum of £500,000 each in respect of each year and an overall maximum of £3 million. The Acquisition Agreement is conditional amongst other things, on completion of the Placing. The Acquisition Agreement contains customary warranties and indemnities from certain of the Vendors.

13.1.2 *Placing Agreement*

A placing agreement dated 16 June 2015 and made between (1) the Company and (2) N+1 Singer (the "Placing Agreement"), under which N+1 Singer has agreed, subject to the fulfilment of certain conditions, to procure subscribers for the Placing Shares to be issued by the Company at the Issue Price.

The obligations of N+1 Singer are subject to certain conditions, which are typical for an agreement of this nature and include:

- (a) Admission having become effective not later than 8.00 a.m. on 13 July 2015 (or such later time and/or date as the Company and N+1 Singer may determine, being not later than 31 July 2015); and
- (b) the Resolutions being passed at the General Meeting without amendment.

Under certain circumstances, including for material breach of warranty, N+1 Singer may terminate the Placing Agreement prior to Admission.

The Company has agreed to allot and issue 16,250,000 New Ordinary Shares to N+1 Singer, provided the Placing Agreement becomes unconditional. In addition, the Company will pay all other costs, charges and expenses of and incidental to the Placing and related arrangements together with any applicable VAT.

The Company has given certain customary warranties and indemnities to N+1 Singer as to the accuracy of the information in this document and as to other matters in relation to the Group and its business.

13.1.3 *Subscription Agreement*

On 2 December 2014, the Company entered into a subscription agreement ("Subscription Agreement") with certain existing shareholders and directors of the Company (the "Investors") to subscribe for Ordinary Shares up to an aggregate value of approximately £1 million (the "Subscription"). Under the Subscription Agreement certain directors of the Company being Peter Bertram, Mark Wood and Tim Hoare will each subscribe £50,000 and Nitil Patel £20,000. Under the terms of the Subscription Agreement, following receipt of a written notice from the Company (the "Subscription Notice") during the period until 23.59 on 31 May 2015 (the "Availability Period") the Investors were committed to subscribe for such number of

Ordinary Shares as required by the Company, at the Closing Price on the business day before the date of the Subscription Notice. The obligations of the Shareholders fall away at the end of the Availability Period if a Subscription Notice has not been served and in certain other specified circumstances. In consideration of and conditional upon Investors paying the subscription amount applicable to them, the Company shall pay to each Investor, upon such Investor completing their subscription for shares, a fee equal to 1 per cent of that Investor's subscription amount for each whole month following the date of the Letter of Subscription, up to the date of the Subscription Notice, subject to a maximum fee of 6 per cent (which applied as the Subscription Notice was served during May 2015). Pursuant to a variation and exercise notice dated 29 May 2015, the Investors agreed to advance their relevant subscription amounts to the Company on or before 22 June 2015 in consideration for the issue of Ordinary Shares by the Company on or before 31 August 2015 at a price per share that has been agreed to be the Issue Price. In addition, the Company and Artemis Alpha Trust plc have entered into a loan agreement dated 16 June 2015 in respect of the amount loaned by Artemis Alpha Trust plc to the Company pursuant to the variation and exercise notice dated 29 May 2015.

13.1.4 *Loan Agreements with the Debt Holders*

(a) *Deed of assignment*

On 30 March 2012, the Company entered into a deed of assignment (the "Deed of Assignment") with the Debt Holders in relation to the Amendment and Restatement Agreement relating to a facility agreement dated 2 July 2008 (as previously amended on 14 January 2011 and 7 July 2011) Term Facility Agreement dated 2 July 2008 made between (1) the Company (as the Borrower) (2) Bank Of Scotland PLC (as Lender) (the "Facility Agreement")

On 30 March 2012, the Company purchased (and cancelled) part of the loans outstanding under the Facility Agreement. Under the Deed of Assignment, the Debt Holders acquired the remaining entire interest of Bank of Scotland Plc in the facility (the "Debt Facility"). The Company made various representations and warranties to the Debt Holders which are standard for a facility agreement including (*inter alia*): the Company is within its powers to act, no conflict and all licences and consents have been obtained. The Debt Holders waived any Event of Default as at the date of the Deed of Assignment. The Company is responsible for the costs and expenses as contained in the Facility Agreement and the Company also agrees to reimburse the Debt Holders for all reasonable out-of-pocket charges and expenses in relation to the execution and enforcement of the Deed of Assignment. The interest on the Facility is based on monthly LIBOR plus a margin of 4 per cent. The Facility is unsecured and is repayable in full on 11 February 2016. There are no financial covenants in force in respect of the Facility. The Group incurred £151,000 costs in relation to the assignment and these costs have reduced the carrying value of the debt as they will be amortised over the length of the repayment schedule as an interest expense.

(b) *Call Deed*

On 30 March 2012, Brook Lapping Productions Limited ("Brook") entered into a call deed (the "Call Deed") with the Debt Holders. The Call Deed sets out the terms on which the Debt Holders may transfer to and Brook may acquire the outstanding commitments under the Facility Agreement (which at the date of the Call Deed were £4,433,433). The Debt Holders granted Brook an option to acquire all or a part of the commitments (subject to a minimum repayment amount of £250,000) in any period from 1 October 2012 until 11 February 2016 (the "Relevant Period"). Brook may then pay the aggregate consideration (on a *pari passu* basis) to each Debt Holder of the relevant repayment amount. The option is exercisable as many times as Brook elects in the Relevant Period. Depending on the date on which Brook purchases the amount of the commitment a discount rate shall be applied to the relevant amount ranging from 35.15 per cent. if purchased between 1 October 2012 and 31 December 2012 to 0 per cent. if purchased between 1 January 2016 and 11 February 2016.

(c) *Secured Loan Notes*

On 21 December 2010 as amended and restated on 21 June 2011 and 27 March 2013, the Company entered into a secured loan instrument under which it issued £2,100,000 of secured loan notes to Herald, a related party through its shareholding. These loan notes are secured by a fixed and floating charge over the assets of all the Group companies. Interest is based on monthly LIBOR plus a margin of 6 per cent. The interest is rolled up and is repayable along with the principal on 31 March 2016.

(d) *Unsecured Loan Notes*

On 28 March 2013, Herald provided a loan of £192,500. The terms are similar to the secured loan note, with the exception of being unsecured.

On 20 September 2013, the Company received a loan amounting to £1,250,000 from Herald, in consideration of which it issued an unsecured loan note to Herald. The proceeds were used for the Company's business development and general working capital requirements. Interest on these loan notes is rolled up and charged at a rate of 6 per cent. above monthly LIBOR is repayable along with the principal on 31 March 2016.

(e) *2014 Loan*

On 24 July 2014, the Company received loans of £300,000 from shareholders including Herald and £250,000 remains outstanding. Interest on these loans is rolled up and charged at a rate of 3 per cent over monthly LIBOR with a repayment date of 30 June 2015.

(f) *Debt Restructuring Agreement*

On 16 June 2015, the Company entered into an agreement with the Debt Holders pursuant to which:

- (i) a discount of 9.77 per cent. has been applied to the principal amounts outstanding under the Debt Facility;
- (ii) the Company has agreed, following Admission, to repay £16,258 of the principal and £63,505 of interest accrued due under the Debt Facility;
- (iii) the Company has agreed to issue new Ordinary Shares at the Issue Price to satisfy principal of £1,170,930.73 and £820,342.86 due to Herald under the Debt Facility and the Loan Notes respectively and £813,007.96 due to Artemis under the Debt Facility;
- (iv) the Company has agreed to issue 2,876,869 Preference Shares to satisfy the remaining principal of £2,722,157.14 due to Herald under the Loan Notes and principal of £150,000 together with accrued interest amounting to £4,712 due to Herald under the Short Term Debt and to issue 31,762 Preference Shares to JBCF;
- (v) certain of the Debt Holders agreed to waive accrued but unpaid interest on the Debt Facility and the Loan Notes (amounting to £1,022,318.42 million in aggregate); and
- (vi) the repayment date in respect of the Debt Facility has been extended to 31 December 2017.

13.1.5 *Lepe engagement letter*

On 26 June 2014 the Company entered into an engagement letter with Lepe pursuant to which Lepe agreed to provide certain strategic and advisory services to the Company. Pursuant to this letter (as amended on 16 June 2015), the Company has agreed to issue 2,766,660 New Ordinary Shares upon Admission in consideration of the provision of these services.

13.2 Reef

Reef has not entered into any contracts, not being contracts entered into in the ordinary course of business, (i) within the two years immediately preceding the date of this document which are, or may

be material to Reef; or (ii) which contain any provisions under which Reef has any obligation or entitlement which is or may be material to Reef as at the date of this document.

14. IRREVOCABLE UNDERTAKINGS

14.1 The Company has received the following irrevocable undertakings to vote in favour of the Resolutions in respect of the following number of Ordinary Shares:

<i>Name</i>	<i>Number of Ordinary Shares</i>	<i>Percentage of Total Voting Rights</i>
Herald Investment Trust	95,567,428	34.54
John Booth and the John Booth Charitable Foundation	30,463,550	11.01
Banque Heritage	27,541,055	9.95
Artemis Alpha Trust plc	21,575,800	7.80
Bob Geldof	15,124,728	5.47
Tim Hoare	9,161,000	3.31
Peter Bertram	2,812,500	1.02
Nitil Patel	1,430,500	0.52
Total	203,676,561	73.61

14.2 Accordingly, irrevocable undertakings and commitments to vote in favour of the Resolutions have been received in respect of a total of, in aggregate, 203,676,561 Ordinary Shares, representing in aggregate approximately 73.61 per cent. of the Existing Total Voting Rights.

14.3 The undertakings provide, *inter alia*, that each of the Shareholders named above shall, vote in favour of the Resolutions and will deliver to the Company a duly completed proxy form appointing the Chairman of the General Meeting as his or its proxy and instructing him to vote in favour of the Resolutions.

15. RELATED PARTY TRANSACTIONS

Save as referred to below, there were no other nor are there contemplated any related party transactions to which any member of the Enlarged Group was or will be a party:

15.1 the Subscription Agreement referred to in paragraph 13.1.3 of this Part VI;

15.2 the loan agreement with the Debt Holders referred to in 13.1.4 of this Part VI; and

15.3 the Debt Conversion and Subscription referred to in paragraph 17 of Part I.

16. TAKEOVER OFFERS BY THIRD PARTIES FOR THE COMPANY'S SHARES

Since 1 April 2013, there has not been a takeover offer (within the meaning of Part 28 of the Act) for any Ordinary Shares.

17. WORKING CAPITAL

The Directors and the Proposed Directors are of the opinion that, having made due and careful enquiry and taking into account the net proceeds of the Placing, the Subscription and the Debt Conversion, the Enlarged Group has sufficient working capital for its present requirements that is at least twelve months from the date of Admission.

18. PRINCIPAL INVESTMENTS

The Company has not carried out any principal investments since 1 January 2012 and there are no principal investments of the Company that are in progress or that the Company has made since incorporation on which the Company has made any firm commitment.

19. INTELLECTUAL PROPERTY

19.1 The Enlarged Group receives a proportion of its revenue from royalty payments received as a result of the licensing of the rights to programmes to worldwide broadcasters. There are no programmes or series of programmes that are individually material to the business of the Group. The following series of programmes are material to Reef's business:

19.1.1 Put Your Money Where Your Mouth Is;

19.1.2 Selling Houses; and

19.1.3 French Connection.

19.2 The following domain names are material to the Group's business all of which, save as indicated below, are registered in the name of Ten Alps:

19.2.1 <blakeway.co.uk>;

19.2.2 <blakeway.tv>;

19.2.3 <blakewaynorth.tv>;

19.2.4 <brooklapping.com>;

19.2.5 <filmsofrecord.com>;

19.2.6 <filmsofrecord.tv>;

19.2.7 <grovehousepublishing.com>;

19.2.8 <gtglobaltrader.com>;

19.2.9 <tenalps.co.uk>;

19.2.10 <tenalps.com>;

19.2.11 <tenalps.tv>;

19.2.12 <tenalpscommunicate.co.uk> (registered in the name of Ten Alps Publishing Limited);

19.2.13 <tenalpscommunicate.com> (registered in the name of Ten Alps Publishing Limited);

19.2.14 <tenalpscommunications.co.uk>;

19.2.15 <tenalpscommunications.com>;

19.2.16 <tenalpscreative.com>;

19.2.17 <tenalpsdigital.com>;

19.2.18 <tenalpsmedia.com>;

19.2.19 <tenalpspublishing.co.uk>;

19.2.20 <tenalpspublishing.com>;

19.2.21 <childrenstrafficclub.com>; and

19.2.22 <childrenstrafficclub.net>.

19.3 The domain name <Reeftv.co.uk> is material to Reef's business and is registered in the name of Reef Television Limited.

19.4 Ten Alps Communications Limited is the owner of the registered trademark with number UK00002576361.

19.5 Save as disclosed above, the Enlarged Group there are no intellectual property rights which are material to the Enlarged Group's business.

20. LITIGATION

The companies which are intended to make up the Enlarged Group are not involved, nor has any of them been involved, in any governmental, legal or arbitration proceedings in the previous twelve months which may have or have had in the recent past a significant effect on its financial position or profitability and, so

far as the Company is aware, there are no such proceedings pending or threatened against any members of the proposed Enlarged Group.

21. NO SIGNIFICANT CHANGE

21.1 There has been no significant change in the financial or trading position of the Group since the end of the last financial period for which interim financial information has been published, being 31 December 2014.

21.2 There has been no significant change in the financial or trading position of Reef since the end of the last financial period for which audited information has been published, being 31 December 2014.

22. TAXATION

22.1 Introduction

The information in this section is based on the Directors' understanding of current UK tax law and HM Revenue & Customs practice as at the date of this document, both of which are subject to change at any time. It should be regarded as a summary of the tax treatment likely to be afforded UK resident investors holding their Ordinary Shares in the Company as investments. It does not constitute legal or tax advice and potential investors are, therefore, strongly recommended to consult a professional adviser regarding their own tax position and the consequences of making an investment in the Company.

22.2 Tax residence of the Company

The Company is considered to be resident for tax purposes in the UK. Accordingly, the information provided in this section reflects the taxation treatment appropriate to an investment in a UK tax resident company.

22.3 Taxation of chargeable gains made by shareholders

A sale or other disposal of the Ordinary Shares may, subject to any available reliefs and exemptions, give rise to a chargeable gain (or allowable loss) for the purposes of UK taxation of chargeable gains.

22.3.1 Individuals and Trustees

- (a) Chargeable gains realised on a disposal of Ordinary Shares by an individual or trustee resident and ordinarily resident in the UK will be subject to capital gains tax which is charged at a rate of 28 per cent. for those individuals whose total income and gains exceed the income tax basic rate limit, and at a rate of 18 per cent. where total income and gains fall below the basic rate limit. A flat rate of 28 per cent. applies for trustees and personal representatives. The realised gain, chargeable to capital gains tax may be reduced by the annual capital gains tax exemption, which for the 2016 tax year is equal to £11,000 for individuals (and £5,500 for trusts in general).
- (b) Further, a disposal of Ordinary Shares by an individual shareholder may qualify for Entrepreneur's Relief. The Relief provides for a reduction to the rate of capital gains tax which is charged upon the disposal, to 10 per cent., provided certain qualifying conditions are met. Such shareholders should consult their tax advisors in respect of the availability of the Relief.
- (c) An individual shareholder who disposes of Ordinary Shares while only temporarily not resident in the UK for tax purposes, may, under anti-avoidance legislation, still be liable to UK tax on his or her return to the UK. A period of non-residence of less than five whole tax years prior to the year in which the shareholder returns to the UK will be treated as a temporary period for these purposes. Shares of the same class acquired by the same person and in the same capacity are "pooled" and treated as a single asset growing or diminishing as shares of the same class are acquired or disposed. Accordingly on a part disposal of the relevant shareholding the gain (or loss) will be computed by reference to that proportionate part of the aggregate cost of the holding attributable to the shares disposed.

22.3.2 Companies

UK resident corporate shareholders are subject to corporation tax on their chargeable gains. Gains realised by such companies, as reduced by available indexation relief, are subject to corporation tax at the company's relevant rate. Indexation relief is deductible in computing any gain arising on a disposal of, or out of, the holding and is computed by reference to the movement in the Retail Price Index over the period of ownership applied to the cost of the holding, or that part of the holding, disposed. As for individuals and trustees, shares of the same class held by a corporate shareholder are "pooled".

22.3.3 *Non residents*

- (a) Shareholders who are not resident or ordinarily resident in the UK and who are not affected by the rules relating to temporary non residence will, save in limited circumstances, not be liable to UK taxation on chargeable gains realised on the disposal of their Ordinary Shares.
- (b) Such shareholders may be subject to foreign taxation on any gain realised under the local law of their country of residence and should consult their own tax adviser concerning their tax liabilities on such gains.

22.4 **Taxation of dividends**

The taxation of dividends paid by the Company and received by an investor resident for tax purposes in the UK is summarised below.

22.4.1 *Individuals*

A UK resident individual shareholder in receipt of dividends is treated as receiving income of an amount equal to the sum of the dividend and its associated tax credit. The tax credit currently equates to 10 per cent. of the gross dividend, being the combined amount of the dividend and the tax credit (the tax credit therefore representing one-ninth of the net dividend). The gross dividend is subject to income tax as the top slice of the individual's income and is taxed at the individual's marginal rate of income tax. The tax credit is available to set against the resulting liability (if any) to income tax. An individual liable to income tax at the basic rate will be liable to tax on the gross dividend at a rate of 10 per cent. ("the dividend ordinary rate" which is a special rate of tax set for basic rate taxpayers in receipt of dividend income). Accordingly, the tax credit will satisfy the income tax liability of such an individual. Similarly, individuals liable at the starting rate for savers, currently set at 10 per cent., will have no further liability as a result of the available tax credit. An individual liable to income tax at the higher rate will pay tax on the gross dividend at a rate of 32.5 per cent. ("the dividend upper rate" which is a special rate of tax set for higher rate taxpayers in receipt of dividend income). After taking into account the tax credit of 10 per cent. a higher rate taxpayer will be liable to additional income tax of 22.5 per cent. of the gross dividend, which equates to 25 per cent. of the actual or net dividend, An individual liable to income tax at the additional rate will pay tax on the gross dividend at a rate of 37.5 per cent. ("the dividend additional rate" which is a special rate of tax set for additional rate taxpayers in receipt of dividend income). After taking into account the tax credit of 10 per cent., an additional rate taxpayer will be liable to additional income tax of 27.5 per cent. of the gross dividend, which equates to 30.56 per cent. of the actual or net dividend.

22.4.2 *Trustees*

UK resident trustees of a discretionary trust in receipt of dividends are liable to income tax at a rate of 37.5 per cent. ("the dividend trust rate") of the gross dividend. After giving effect to the tax credit of 10 per cent. the trustees will be liable to additional income tax of 27.5 per cent. of the gross dividend, which equates to 30.56 per cent. of the actual or net dividend.

22.4.3 *Companies*

Although a UK resident corporate shareholder is potentially liable to corporation tax on its dividend income, it is anticipated that the general exemption for dividends will be available to exempt from corporation tax corporate investors in receipt of dividends from the Company.

22.5 **Withholding tax and tax credit in UK**

The Company is not required to withhold tax when paying a dividend. Liability to tax on dividends will depend upon the individual circumstances of a Shareholder. Other UK resident Shareholders who are not liable to UK tax on dividends, including pension funds and charities, are not entitled to claim repayment of the tax credit. Shareholders who are resident outside the UK for tax purposes will not generally be able to claim repayment of any part of the tax credit attaching to dividends received from the Company, although this will depend on the existence and terms of any double taxation convention between the UK and the country in which such shareholder is resident. A Shareholder resident outside the UK may also be subject to taxation on dividend income under local law. A Shareholder who is resident outside the UK for tax purposes should consult his own tax adviser concerning his tax position on dividends received from the Company.

22.6 **Stamp Duty and Stamp Duty Reserve Tax (“SDRT”)**

Transfers of Ordinary Shares may give rise to liabilities to stamp duty and SDRT. The paragraphs below summarise the current position and are intended as a general guide only to stamp duty and SDRT. Special rules apply to agreements made by brokers, dealers and market makers in the ordinary course of their business and to certain categories of person (such as depositaries and clearance services) who may be liable to stamp duty or SDRT at a higher rate. No liability to stamp duty or SDRT will generally arise on the allotment and issue of new Ordinary Shares by the Company.

22.6.1 *Transfers outside CREST*

An instrument (generally a stock transfer form) transferring Ordinary Shares outside CREST will be liable to ad valorem stamp duty broadly at a rate of 0.5 per cent. of the consideration paid (rounded up to the nearest multiple of £5). Stamp duty is normally paid by the purchaser. An unconditional agreement to transfer such shares, if not completed by a duly stamped stock transfer form by the seventh day of the month following the month in which the agreement becomes unconditional, will be subject to SDRT (payable by the purchaser and generally at a rate of 0.5 per cent. of the consideration paid). If within 6 years of the date of the agreement an instrument of transfer is executed pursuant to the agreement and on the instrument is duly stamped any liability to SDRT will be cancelled or repaid.

22.6.2 *Transfers within CREST*

Paperless transfers of Ordinary Shares within CREST will be charged to SDRT (rather than stamp duty) at a rate of 0.5 per cent. of the consideration paid. SDRT is payable by the purchaser. CREST is obliged to collect SDRT on relevant transactions settled within the system.

22.7 **Income Tax**

- (a) The following paragraphs apply to non-employee shareholders. Employee shareholders may be subject to an alternative tax regime and should consult their own professional adviser.
- (b) There will be no charge to income tax on the purchase or sale of the Ordinary Shares. The tax treatment of dividends received on the Ordinary Shares is dealt with in paragraph 22.4 above.

22.8 **Inheritance Tax**

The Ordinary Shares are considered, potentially, to qualify for business property relief for the purposes of inheritance tax. Shares in an unquoted company (other than an investment company or one which carries on a business consisting wholly or mainly of dealing in securities, stocks, shares, land and buildings) potentially attract full relief (as business property) from inheritance tax where the shares have been held for 2 years prior to the chargeable transfer for inheritance tax purposes.

22.9 **General**

The above is a summary of certain aspects of current law and practice in the UK. A shareholder who is in any doubt as to his tax position, on who is subject to tax in a jurisdiction other than the UK, should consult his or her professional adviser.

23. GENERAL

- 23.1 The gross proceeds of the Placing and the Subscription are expected to be £4.5 million. The total cash costs and expenses relating to the Proposals and the Capital Reduction are payable by the Company and are estimated to amount to approximately £513,000. The net proceeds of the Placing and the Subscription are expected to be approximately £4 million.
- 23.2 N+1 Singer is registered in England and Wales under company number OC364131 and its registered office is at One Bartholomew Lane, London, EC2N 2AX. N+1 Singer is authorised by the FCA and is acting as nominated adviser and broker to the Company. It has given and not withdrawn its written consent to the inclusion in this document of its name and the references thereto in the form and context in which they appear.
- 23.3 The Company's auditors are Grant Thornton UK LLP of 30 Finsbury Square, London EC2P 2YU.
- 23.4 Grant Thornton UK LLP has given and not withdrawn its written consent to the inclusion in this document of the Accountants' Report set out in Part A of Part IV of this document and has authorised the contents of its report for the purposes of Schedule Two of the AIM Rules in the form and context in which it appears.
- 23.5 As far as the Directors are aware, there are no environmental issues that may affect the Group's utilisation of its tangible fixed assets.
- 23.6 Where information has been sourced from a third party, this information has been accurately reproduced. So far as the Company and the Directors and the Proposed Directors are aware and are able to ascertain from information provided by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.
- 23.7 It is expected that definitive certificates will be despatched by hand or first class post within 14 days of each Admission. In respect of uncertificated shares, it is expected that shareholders' CREST stock accounts will be credited on or around the date of Admission.
- 23.8 The financial information contained in this document does not constitute full statutory accounts as referred to in Section 240 of the Act. No further statements or accounts have been prepared nor delivered to the Registrar of Companies for the Company.
- 23.9 Save as disclosed in this document, no person (other than the professional advisers referred to in this document and trade suppliers) has received, directly or indirectly, from the Company within 12 months preceding the date of this document or entered into contractual arrangements to receive, directly or indirectly, from the Company on or after Admission, fees totalling £10,000 or more or securities in the Company with a value of £10,000 or more, calculated by reference to the Issue Price, or any other benefit with a value of £10,000 or more at the date of Admission.
- 23.10 Save as disclosed in this document, there are no Enlarged Group investments in progress which are or may be significant.
- 23.11 Monies received from applicants pursuant to the Placing will be held in accordance with the terms of the placing letters issued by N+1 Singer until such time as the Placing Agreement becomes unconditional in all respects. If the Placing Agreement does not become unconditional in all respects by 31 July 2015 application monies will be returned to applicants at their risk without interest.

24. DOCUMENTS FOR INSPECTION

The following documents or copies thereof may be inspected at the offices of the Company at 13th Floor, Portland House, Bressenden Place, London SW1E 5BH, during the normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) from the date of this document until the date of the General Meeting:

- (a) the Existing Articles;
- (b) the New Articles;

- (c) the Accountants' Report set out in Part IV of this document;
- (d) the material contracts set out in paragraph 13 of Part VI of this document;
- (e) the Directors and Proposed Directors' service agreements and letters of appointment referred to in paragraph 10 of Part VI of this document;
- (f) the letters of consent referred to in paragraph 23 of Part VI of this document; and
- (g) this document.

17 June 2015

NOTICE OF GENERAL MEETING

Ten Alps plc

(a company incorporated and registered in Scotland with registered number SC075133)

NOTICE IS HEREBY GIVEN that a general meeting of Ten Alps plc (the “**Company**”) will be held at the offices of Nabarro LLP, 125 London Wall, London EC2Y 5AL at 9.00 a.m. on 10 July 2015 for the purposes of considering and, if thought fit, passing the following resolutions with resolutions 1 to 8 proposed as ordinary resolutions and resolutions 9 to 11 proposed as special resolutions.

1. THAT, conditional on the passing of resolutions 2, 3, 9 and 10 below, the acquisition of Reef Television Limited by the Company (the “Acquisition”), on the terms and subject to the conditions contained in the Acquisition Agreement, as defined in the Company’s Admission Document of which this notice forms a part (“Admission Document”), be and the same is hereby approved for all purposes, including, without limitation, for the purposes of Rule 14 of the AIM Rules for Companies published by the London Stock Exchange plc and that the directors be and are hereby authorised to take all steps necessary or, in the opinion of the directors, desirable, to give effect to the Acquisition Agreement, including without limitation, waiving, amending, varying or extending any of the conditions and terms of the Acquisition.
2. THAT, conditional on the passing of resolution 10 below, (a) the Share capital of the Company increased by the creation of 2,908,631 convertible redeemable preference shares of 0.01 pence each (such shares having the rights and being subject to the restrictions set out in the Company’s articles of association to be adopted pursuant to resolution 9 below), (b) each of the ordinary shares of 2 pence each in the capital of the Company (the “Existing Ordinary Shares”) which at 6.00 p.m on 10 July 2015 are shown in the books of the Company to be in issue or held in treasury shall be sub-divided into one new ordinary share of 0.01 pence each in the capital of the Company (each an “Intermediate Ordinary Share”) and one new deferred share of 1.99 pence each in the capital of the Company (each a “Deferred Share”) and (c) every 10 Intermediate Ordinary Shares be consolidated in to 1 new ordinary share of 0.1 pence each (each a “New Ordinary Share”), such shares having the rights and being subject to the restrictions set out in the Company’s articles of association to be adopted pursuant to resolution 10 below PROVIDED THAT where such consolidation, as outlined in this resolution 2, results in any Shareholder being entitled to a fraction of a New Ordinary Share, such fraction shall, so far as possible, be aggregated with fractions of a New Ordinary Share to which other shareholders of the Company are entitled and the directors of the Company be and are hereby authorised to sell (or appoint any other person to sell) to any person, on behalf of the relevant Shareholders, all the New Ordinary Shares representing such fractions at the best price reasonably obtainable to any person, and to distribute the proceeds of sale (less expenses) in due proportion among the relevant Shareholders entitled thereto, save that any amount otherwise due to a Shareholder, being less than £5, may be retained for the benefit of the Company.
3. THAT the directors be generally and unconditionally authorised pursuant to and in accordance with section 551 of the Companies Act 2006 (“Act”) to allot relevant securities (as defined in the notes to this notice):
 - (a) of up to a maximum aggregate nominal value of £392,021.60 pursuant to the Proposals (as defined in the Company’s Admission Document of which this notice forms a part);
 - (b) otherwise than pursuant to paragraph (a) above, of up to an aggregate nominal amount of £139,800; and/or
 - (c) of up to an aggregate nominal amount of £139,800 in connection with an offer by way of a rights issue,

PROVIDED THAT such authority is in addition to the authority granted at the last annual general meeting and will expire at the conclusion of the annual general meeting of the Company to be held in 2016 or, if earlier, 10 October 2016 save that the Company may make an offer or agreement before the expiry of this authority which would or might require relevant securities to be allotted after such expiry and the directors may allot relevant securities pursuant thereto as if the authority conferred hereby had not expired.

4. THAT Peter Bertram be reappointed as a director of the Company.
5. THAT Mark Wood be reappointed as a director of the Company.
6. THAT Nitil Patel be reappointed as a director of the Company.
7. THAT the participation by each of the Directors in the Subscription (as defined in the Company's Admission Document of which this notice forms a part) be and is hereby approved.
8. THAT conditional on the passing of all the other resolutions set out in this notice of meeting the issue of 2,500,000 and 5,000,000 New Ordinary Shares to Timothy Hoare and Bob Geldof respectively in settlement of accrued but unpaid fees due to each of them.

The following resolutions to be proposed as Special Resolutions:

9. THAT, conditional on the passing of resolution 3 above, the directors be generally and unconditionally empowered pursuant to section 570 of the Companies Act 2006 ("Act") to make allotments of equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authority conferred by resolution 2 as if section 561 of the Act did not apply to any allotment provided that such power shall be limited to:
 - (a) the allotment of equity securities up to an aggregate nominal value of £392,021.60 in connection with the Proposals (as defined in the Company's Admission Document of which this notice forms a part);
 - (b) the allotment of equity securities in connection with or pursuant to any issue or offer by way of rights or other pre-emptive offer to the holders of ordinary shares of 0.1 pence each in the capital of the Company ("Ordinary Shares") and other persons entitled to participate therein in proportion (as nearly as practicable) where the equity securities respectively attributable to the interest of holders of the Ordinary Shares are proportionate as nearly as maybe practicable to the respective amounts of Ordinary Shares held by them on a fixed record date, but subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to legal or practical issues under the laws of, or as a requirement of, any regulatory or stock exchange authority in any jurisdiction or territory or in relation to fractional entitlements; and/or
 - (c) the allotment (otherwise than pursuant to paragraph (a) or (b) of this resolution) of equity securities up to an aggregate nominal value of £41,940 (being approximately 10 per cent. of the share capital of the Company),

and this power shall be in addition to the power granted at the last annual general meeting and shall expire at the conclusion of the annual general meeting of the Company to be held in 2016 or, if earlier, 10 October 2016, save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of any such offer or agreement as if the power conferred hereby had not expired and provided further that this power shall be in substitution for and supersede and revoke any previous power granted to the directors to the extent not previously utilised.

10. THAT the articles of association produced to the meeting and initialed by the Chairman of the meeting for the purpose of identification (the "**New Articles**") be adopted as the articles of association of the Company in substitution for and to the exclusion of, the existing articles of association.
11. THAT, conditional on the passing of resolution 2 above, the share capital of the Company be reduced by £5,505,653.64 by the cancellation of the deferred shares of 1.99 pence each created pursuant to resolution 2 above and by the cancellation of the entire share premium account of the Company (following the issue of the new ordinary shares of 0.1 pence each as set out in the admission document of the Company dated 17 June 2015).

By Order of the Board

Nitil Patel
Secretary

Registered Office:

7 Exchange Crescent
Conference Square
Edinburgh
EH3 8AN

17 June 2015

Notes:

1. The Company specifies that only those members registered on the Company's register of members at 6.00 p.m., on 8 July 2015 (or in the event of any adjournment, 6.00 p.m. on the date which is two days before the time of the adjourned meeting) shall be entitled to attend and vote at the General Meeting.
2. If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the General Meeting and you should have received a Proxy Form with this notice. You can only appoint a proxy using the procedures set out in these notes and the notes to the Proxy Form. The return of a completed Proxy Form will not prevent a Shareholder attending the General Meeting and voting in person.
3. A proxy does not need to be a member of the Company but must attend the General Meeting to represent you. Details of how to appoint the chairman of the General Meeting or another person as your proxy using the Proxy Form are set out in the notes to the Proxy Form. If you wish your proxy to speak on your behalf at the General Meeting you will need to appoint your own choice of proxy (not the chairman) and give your instructions directly to them.
4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please contact the Company's registrars at the address set out in note 6.
5. The notes to the Proxy Form explain how to direct your proxy how to vote on each resolution or withhold their vote.
6. To appoint a proxy using the Proxy Form, the Proxy Form must be:
 - (i) completed and signed;
 - (ii) sent or delivered to Capita Asset Services, PXS1, 34 Beckenham Road, Kent, BR3 4ZF; and
 - (iii) received by Capita Asset Services, at the address provided in paragraph 6(ii) above no later than 9.00 a.m. on 8 July 2015.
7. In the case of a member which is a company, the Proxy Form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the Company.
8. Any power of attorney or any other authority under which the Proxy Form is signed (or a duly certified copy of such power or authority) must be included with the Proxy Form.
9. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
10. As at 5.00 p.m. on the day immediately prior to the date of posting of this notice, the Company's issued share capital (excluding treasury shares) comprised 276,666,012 ordinary shares of 2p each. Each ordinary share (excluding treasury shares) carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 5.00 p.m., on the day immediately prior to the date of posting of this notice is 276,666,012.
11. For the purposes of resolution 3 "relevant securities" means:
 - (i) shares in the Company other than shares allotted pursuant to:
 - (a) an employee share scheme (as defined by section 1166 of the 2006 Act);
 - (b) a right to subscribe for shares in the Company where the grant of right itself constituted a Relevant Security; or
 - (c) a right to convert securities into shares in the company where the grant of the right itself constituted a Relevant Security;
 - (ii) any right to subscribe for or convert any security into shares in the Company other than rights to subscribe for or convert any security into shares allotted pursuant to an employee share scheme (as defined by section 1166 of the 2006 Act). Reference to the allotment of Relevant Securities in the resolution include the grant of such rights.
12. A vote withheld option is provided on the Proxy Form to enable you to instruct your proxy not to vote on any particular resolution. However, it should be noted that a vote withheld in this way is not a "vote" in law and will not be counted in the calculation of the proportion of votes "for" and "against" a resolution.
13. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also applies in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded. Where you have appointed a proxy and would like to change the instructions using another hard-copy proxy form, please contact Capita Asset Services. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.
14. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly revoking your proxy appointment to Capita Assets Services, PXS1, 34 Beckenham Road, Beckenham BR3 4ZF. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice. In either case, the revocation notice must be received by Capita Assets Services no later than 9.00 a.m. on 8 July 2015. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.

15. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the General Meeting 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 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 Manuals. The message must be transmitted so as to be received by the Company's agent, Capita Assets 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.

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, to procure that his CREST sponsor or voting service provider takes) 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 sponsors or voting service provider(s) should refer to the 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.

