

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document, or the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000, as amended, if you are in the United Kingdom or, if not, another appropriately authorised independent financial adviser.**

If you have sold or otherwise transferred all of your Ordinary Shares in Altitude Group plc, please immediately forward 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 as soon as possible for onward transmission to the purchaser or transferee. If you have sold only part of your holding of Ordinary Shares you should retain these documents.

The Existing Ordinary Shares are admitted to trading on AIM. An application will be made to the London Stock Exchange for the First Placing Shares and the Consideration Shares to be admitted to trading on AIM. It is expected that admission of the First Placing Shares and the Consideration Shares will become effective and that dealings will commence on 17 January 2019. Subject to the Resolutions being passed at the General Meeting, application will be made to the London Stock Exchange for the Second Placing Shares to be admitted to trading on AIM. It is expected that admission of the Second Placing Shares will become effective and that dealings will commence on 1 February 2019.

The issue of the Placing Shares pursuant to the Placings will not constitute an offer to the public requiring an approved prospectus under section 85 of the Financial Services and Markets Act 2000 as amended and, accordingly, this document does not constitute a prospectus for these purposes.

The Company and the Directors, whose names appear on page 4 of this document, accept responsibility, both individually and collectively, for the information contained in this document. To the best of the knowledge and belief of the Company and the 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.



ALTITUDE  
GROUP PLC

## Altitude Group plc

*(Incorporated in England and Wales under the Companies Act 2006 with registered number 05193579)*

**Proposed placings of, in aggregate, 13,235,295 new Ordinary Shares  
at a price of 68 pence per share**

**Proposed acquisition of the membership-based trade group of  
independent promotional products distributors business of  
Advertising Industry Mastermind Group, LLC**

and

**Notice of General Meeting**



***Nominated Adviser and Broker***

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**You should read the whole of this document. Your attention is drawn to the letter from the Chairman of the Company which is set out on pages 9 to 17 (inclusive) of this document and which recommends you vote in favour of the Resolutions to be proposed at the General Meeting referred to in this document. Whether or not you intend to attend the General Meeting, you are encouraged to complete and return the enclosed Form of Proxy in accordance with the instructions printed on the form.**

This document should be read in conjunction with the Notice of General Meeting and Form of Proxy. Notice of a General Meeting of the Company, to be held at the offices of finnCap Ltd, 60 New Broad Street, London EC2M 1JJ at 10.00 a.m. on 31 January 2019, is set out at the end of this document. Shareholders will find enclosed with this document a Form of Proxy for use in connection with the Resolutions to be proposed at the General Meeting. To be valid the Form of Proxy must be completed and returned in accordance with the instructions printed thereon to the Company's Registrar, Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, B62 8HD so as to be received as soon as possible but in any event no later than 48 hours (excluding non-working days) before the time fixed for the General Meeting, being 10.00 a.m. on 29 January 2019. The completion and return of the Form of Proxy will not preclude Shareholders from attending the General Meeting and voting in person should they subsequently wish to do so.

finnCap Ltd (“**finnCap**”), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting as nominated adviser and broker to the Company in connection with the matters described in this document. Persons receiving this document should note that finnCap will not be responsible to anyone other than the Company for providing the protections afforded to customers of finnCap or for advising any other person on the arrangements described in this document. finnCap has not authorised the contents of, or any part of this document and no liability whatsoever is accepted by finnCap for the accuracy of any information or opinions contained in this document or for the admission of any information. No representation or warranty, express or implied, is made by finnCap as to, and no liability whatsoever is accepted by finnCap in respect of any of the contents of this document (without limiting the statutory rights of any person to whom this document is issued).

The New Ordinary Shares will not be registered under the United States Securities Act of 1933 (as amended) or under the securities laws of any state of the United States of America, any province or territory of Canada, Australia, Japan, New Zealand, the Republic of Ireland or the Republic of South Africa nor will the New Ordinary Shares qualify for distribution under any of the relevant securities laws of the United States of America, Canada Australia, Japan, New Zealand, the Republic of Ireland or the Republic of South Africa. Accordingly, subject to certain exceptions, the New Ordinary Shares may not be, directly or indirectly, offered, sold, taken up, delivered or transferred in or into the United States of America, Canada, Australia, Japan, New Zealand, the Republic of Ireland or the Republic of South Africa. Overseas Shareholders and any person (including, without limitation, custodians nominees and trustees) who have a contractual or other legal obligation to forward this document to a jurisdiction outside the UK should seek appropriate advice before taking any action.

Any failure to comply with these restrictions may constitute a violation of relevant securities laws or regulations of the jurisdictions concerned.

It is the responsibility of any person receiving a copy of this document outside the United Kingdom, to satisfy themselves as to the full observance of the laws and regulatory requirements of the relevant territory in connection therewith, including obtaining any governmental or other consents which may be required or observing any other formalities required to be observed in such territory and paying any other issue, transfer or other taxes due in such other territory. Persons (including, without limitation, nominees and trustees) receiving this document should not distribute or send this document into any jurisdiction when to do so would, or might contravene local securities laws or regulations.

This document does not constitute or form part of any offer or instruction to purchase, subscribe for or sell any shares or other securities in the Company nor shall it or any part of it or the fact of its distribution form the basis of, or be relied on in connection with, any contract therefor.

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### FORWARD LOOKING STATEMENTS

All statements other than statements of historical facts included in this document, including, without limitation, those regarding the Enlarged Group's financial position, business strategy, plans and objectives of management for future operations or statements relating to expectations in relation to dividends or any statements preceded by, followed by or that include the words "targets", "believes", "expects", "aims", "intends", "plans", "will", "may", "anticipates", "would", "could" or similar expressions or the negative thereof, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Enlarged Group's control that could cause the actual results, performance, achievements of or dividends paid by, the Enlarged Group to be materially different from future results, performance or achievements, or dividend payments 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 of 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 or the AIM Rules for Companies.

## DIRECTORS, SECRETARY AND ADVISERS

<b>Directors</b>	Peter John Hallett <i>(Non-Executive Chairman)</i> Nichole Stella <i>(Chief Executive Officer)</i> Graeme Couturier <i>(Chief Financial Officer)</i> Deborah Wilkinson <i>(Chief Operating Officer)</i> Martin Varley <i>(Non-Executive Director)</i> Gellan Watt <i>(Non-Executive Director)</i> Keith Edelman <i>(Non-Executive Director)</i>
<b>Company website</b>	<a href="http://www.altitudeplc.com">www.altitudeplc.com</a>
<b>Registered Office</b>	Unit 4 Rhodes Business Park Silburn Way Manchester M24 4NE
<b>Nominated Adviser and Broker</b>	finnCap Ltd 60 New Broad Street London EC2M 1JJ
<b>Solicitors to the Company</b>	DAC Beachcroft LLP 100 Fetter Lane London EC4A 1BN
<b>Solicitors to the Nominated Adviser and Broker</b>	DWF LLP 1 Scott Place 2 Hardman Street Manchester M3 3AA
<b>Registrars</b>	Neville Registrars Limited Neville House Steelpark Road Halesowen B62 8HD

## STATISTICS

Placing Price	68 pence
Number of Placing Shares to be issued pursuant to the Placings	13,235,295
Number of Consideration Shares to be issued pursuant to the Acquisition	860,294
Gross proceeds of the Placings	£9.0 million
Proceeds receivable by the Company, net of expenses	approximately £8.5 million
Number of Ordinary Shares in issue as at the date of this document	54,689,634
Enlarged Issued Share Capital*	68,785,223
Number of Placing Shares as a percentage of the Enlarged Issued Share Capital	19.24 per cent.

## EXPECTED TIMETABLE FOR PRINCIPAL EVENTS

	<i>2019</i>
Date of this document	15 January
First Admission and dealings in the First Placing Shares and the Consideration Shares expected to commence on AIM	8.00 a.m. on 17 January
Expected date for CREST stock accounts to be credited for First Placing Shares and Consideration Shares in uncertificated form	17 January
Expected date for despatch of definitive share certificates for First Placing Shares and Consideration Shares to be held in certificated form	Week commencing 28 January
Latest time and date for receipt of Forms of Proxy	10.00 a.m. on 29 January
General Meeting	10.00 a.m. on 31 January
Second Admission and dealings in the Second Placing Shares expected to commence on AIM	8.00 a.m. on 1 February
Expected date for CREST stock accounts to be credited for Second Placing Shares in uncertificated form	1 February
Expected date for despatch of definitive share certificates for Second Placing Shares to be held in certificated form	Week commencing 11 February

<sup>(1)</sup> The times and dates set out in the expected timetable of principal events above and mentioned throughout this document may be adjusted by the Company in consultation with finnCap, in which event details of the new times and dates will be notified to the London Stock Exchange, and where appropriate, Shareholders.

<sup>(2)</sup> All references in this document to times are to London time unless otherwise stated.

\* Assuming no options granted by the Company are exercised.

## DEFINITIONS

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

<b>“Acquisition”</b>	the proposed acquisition by AIM Smarter of the Business pursuant to the terms of the Acquisition Agreement;
<b>“Acquisition Agreement”</b>	the asset acquisition agreement dated 10 January 2019 between the Vendor and AIM Smarter relating to the Acquisition;
<b>“Act”</b>	the Companies Act 2006 (as amended);
<b>“AIM”</b>	the AIM market operated by the London Stock Exchange;
<b>“AIM Smarter”</b>	AIM Smarter, LLC, a Delaware limited liability company and a 100 per cent. subsidiary of the Company;
<b>“AIM Rules for Companies”</b>	the rules of AIM as set out in the publication entitled ‘AIM Rules for Companies’ published by the London Stock Exchange from time to time;
<b>“Business” or “AI Mastermind”</b>	the membership-based trade group of independent promotional products distributors business of the Vendor;
<b>“certificated” or “in certificated form”</b>	the description of a share or other security which is not in uncertificated form (that is not in CREST);
<b>“Company” or “Altitude”</b>	Altitude Group plc, a company registered in England and Wales with registered number 05193579;
<b>“Completion”</b>	completion of the Acquisition in accordance with the terms of the Acquisition Agreement which is expected to occur on 17 January 2019;
<b>“Consideration Shares”</b>	the 860,294 new Ordinary Shares to be allotted and issued under the terms of the Acquisition Agreement;
<b>“CREST”</b>	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear UK & Ireland Limited is the Operator (as defined in the CREST Regulations);
<b>“CREST Regulations”</b>	the Uncertificated Securities Regulations 2001, as amended;
<b>“Directors” or “Board”</b>	the directors of the Company whose names are set out on page 4 of this document, or any duly authorised committee thereof, and <b>“Director”</b> means any one of them;
<b>“Enlarged Group”</b>	the Group, as enlarged by the Acquisition;
<b>“Enlarged Issued Share Capital”</b>	the issued share capital of the Company immediately following the First Admission and the Second Admission, assuming all of the New Ordinary Shares are allotted and issued;
<b>“Existing Ordinary Shares” or “Existing Share Capital”</b>	the 54,689,634 Ordinary Shares in issue as at the Last Practicable Date;
<b>“finnCap”</b>	finnCap Ltd, a company registered in England and Wales with registered number 06198898;
<b>“First Admission”</b>	admission of the First Placing Shares and the Consideration Shares to trading on AIM and such admission becoming effective in accordance with the AIM Rules for Companies;

<b>“First Placing”</b>	the conditional placing of the First Placing Shares by finnCap, as agent on behalf of the Company, with the Placees pursuant to the terms of the Placing Agreement, further details of which are set out in this document;
<b>“First Placing Shares”</b>	the 5,334,525 new Ordinary Shares to be allotted and issued pursuant to the First Placing;
<b>“Form of Proxy”</b>	the form of proxy accompanying this document for use in connection with the General Meeting;
<b>“General Meeting”</b>	the general meeting (or any adjournment thereof) of the Shareholders of the Company to be convened for 31 January 2019 pursuant to the Notice of General Meeting set out at the end of this document;
<b>“Group”</b>	the Company and its subsidiaries as at the date of this document;
<b>“Last Practicable Date”</b>	10 January 2019, being the latest practicable date prior to publication of the announcement of the Placings on 11 January 2019;
<b>“London Stock Exchange”</b>	London Stock Exchange plc;
<b>“New Ordinary Shares”</b>	the First Placing Shares, the Second Placing Shares and the Consideration Shares;
<b>“Notice of General Meeting”</b>	the notice convening the General Meeting as set out at the end of this document;
<b>“Ordinary Shares”</b>	ordinary shares of 0.4 pence each in the capital of the Company;
<b>“Placees”</b>	persons who have conditionally agreed to subscribe for Placing Shares;
<b>“Placings”</b>	the conditional placing of the First Placing Shares and the Second Placing Shares by finnCap, as agent on behalf of the Company, with the Placees pursuant to the terms of the Placing Agreement, further details of which are set out in this document;
<b>“Placing Agreement”</b>	the conditional agreement dated 10 January 2019 between the Company and finnCap in relation to the Placings, further details of which are set out in this document;
<b>“Placing Price”</b>	68 pence;
<b>“Placing Shares”</b>	the 13,235,295 new Ordinary Shares to be allotted and issued pursuant to the Placings;
<b>“Resolutions”</b>	the resolutions to be proposed at the General Meeting which are set out in full in the Notice of General Meeting;
<b>“Second Admission”</b>	admission of the Second Placing Shares to trading on AIM and such admission becoming effective in accordance with the AIM Rules for Companies;
<b>“Second Placing”</b>	the conditional placing of the Second Placing Shares by finnCap, as agent on behalf of the Company, with the Placees pursuant to the terms of the Placing Agreement, further details of which are set out in this document;

<b>“Second Placing Shares”</b>	the 7,900,770 new Ordinary Shares to be allotted and issued pursuant to the Second Placing;
<b>“Shareholders”</b>	holders of Existing Ordinary Shares and <b>“Shareholder”</b> shall be construed accordingly;
<b>“UK” or “United Kingdom”</b>	the United Kingdom of England, Scotland, Wales and Northern Ireland;
<b>“US” or “United States”</b>	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia;
<b>“uncertificated” or “in uncertificated form”</b>	recorded on a register of securities maintained by Euroclear UK & Ireland Limited in accordance with the CREST Regulations as being in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST; and
<b>“Vendor”</b>	Advertising Industry Mastermind Group, LLC.

*All quoted share prices contained in this document have been rounded to two decimal places.*

## LETTER FROM THE CHAIRMAN

# Altitude Group plc

*(Incorporated in England and Wales under the Companies Act 2006 with registered number 05193579)*

*Directors:*

Peter John Hallett *(Non-Executive Chairman)*  
Nichole Stella *(Chief Executive Officer)*  
Graeme Couturier *(Chief Financial Officer)*  
Deborah Wilkinson *(Chief Operating Officer)*  
Martin Varley *(Non-Executive Director)*  
Gellan Watt *(Non-Executive Director)*  
Keith Edelman *(Non-Executive Director)*

*Registered Office:*

Unit 4 Rhodes Business Park  
Silburn Way  
Manchester  
M24 4NE

*To Shareholders and, for information only, the holders of options to subscribe for Ordinary Shares*

15 January 2019

Dear Shareholder,

**Proposed placings of, in aggregate, 13,235,295 new Ordinary Shares  
at a price of 68 pence per share**

**Proposed acquisition of the membership-based trade group of  
independent promotional products distributors business of  
Advertising Industry Mastermind Group, LLC**

and

**Notice of General Meeting**

### 1. INTRODUCTION

The Company today announced that it had agreed terms for the acquisition of the Business, for a maximum consideration of US\$5 million.

Altitude also announced two placings of up to, in aggregate, 13,235,295 new Ordinary Shares to raise up to £9 million at a price of 68 pence per Ordinary Share.

The First Placing and the allotment of the Consideration Shares will be completed using the current director authorities and dis-application of pre-emption rights received at the annual general meeting in June 2018.

The Second Placing is subject to approval of the Resolutions to grant the Directors authorities to allot and to dis-apply pre-emption rights in relation to the allotment and issue of the Second Placing Shares at the General Meeting which is being convened for 10.00 a.m. on 31 January 2019.

The consideration payable to the Vendor for the Business will be a maximum of US\$5 million. This comprises of US\$3.5 million payable in cash on Completion from the proceeds of the First Placing, US\$750,000 to be satisfied by the issue of 860,294 new Ordinary Shares at the Placing Price and US\$750,000 to be held in escrow following Completion, further details of which are set out in paragraph 5 below.

The Acquisition and the First Placing are expected to complete and admission to trading on AIM of the First Placing Shares and the Consideration Shares is expected to occur at 8.00 a.m. on 17 January 2019.

Subject to the Resolutions being passed at the General Meeting, completion of the Second Placing and admission to trading on AIM of the Second Placing Shares is expected to occur at 8.00 a.m. on 1 February 2019.

**The purpose of this document is to provide you with information about the background to and the reasons for the Acquisition and the Placings, to explain why the Board considers the Acquisition and the Placings 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, as they and their immediate families and connected persons (within the meaning of section 252 of the Act) intend to do in respect of their aggregate holdings of 12,939,465 Ordinary Shares representing approximately 23.66 per cent. of the Existing Share Capital, notice of which is set out at the end of this document.**

## **2. BACKGROUND TO AND UPDATE ON AIMPRO PROGRESS**

The US\$23 billion US promotional products market is highly fragmented with 42% of the market (approximately US\$9.8 billion) conducted by 22,700 distributors with individual revenues of less than US\$2.5 million per annum\*. The market is inefficient with an elongated supply chain and the majority of transactions initiated offline. More than 88.5% of orders placed by these smaller distributors are placed either face-to-face or by phone/fax/email with small distributors with the remaining 11.5% of orders processed online with smaller distributors.

This fragmented and inefficient market has resulted in the creation of distributor groups and mid-sized operators trying to counter the threat of large online retailers. Of these distributor groups AI Mastermind is by far the largest with an approximate \$1.7 billion of aggregate revenues representing an approximate 7.4% market share.

\* PPAI 2017 Annual Sales Volume estimate

### ***ChannlPro***

Altitude's solution to this problem is a patented technology platform for distributors which has a supply chain already built in and combines an e-commerce trading platform with a cloud based CRM and order management system that enables both offline and online promotional product transactions to be executed. This combined offering, now branded as ChannlPro, can be white labelled to any specific brand and enables Altitude to generate revenue through charging transactions fees on purchase orders processed on the platform. The first white labelled ChannlPro brand, "AIMPro", was launched in January 2018 to meet the requirements of the members of AI Mastermind, a buying group who at that time consisted of 1,455 members.

### ***AI Mastermind and AIMPro***

Since January 2018, AI Mastermind has grown to 1,917 members with aggregate revenue of approximately US\$1.7 billion making it by far the largest promotional product member group by gross revenue in the USA with an approximate market share of 7.4%.

The current AIMPro revenue model is based on AI Mastermind members transacting their sales and purchase orders on AIMPro where Altitude takes a fee from the suppliers. The AIMPro platform is provided to AI Mastermind distributor as part of their US\$59 per month AI Mastermind membership fee. The current effective rate that Altitude is deriving from the supplier transaction fees is 2.49%\* of sales order value source from contracted suppliers. This blended rate is reflective of the current offline dominance of orders and is expected to increase over time as the move to online accelerates.

\* AI Mastermind control group

### ***Member onboarding***

Since the launch of AIMPro in January 2018 Altitude has established a permanent US engagement team to focus on engagement with and onboarding of AI Mastermind members to the AIMPro platform. Significant progress has been made with 23,994 orders totalling US\$19.9 million transacted over the platform to 31 December 2018. This represents an average order value of US\$830.

As at 31 December 2018, a total of 266 AI Mastermind members had placed at least one order on AIMPro (30 September 2018: 164) of which 207 had placed multiple orders (30 September 2018: 120). This represents 78% of active users placing multiple orders which demonstrates the very high repeat usage of the platform once a member is onboarded. In total 1,456 members are engaged with Altitude at some stage of the onboarding process (30 September 2018: 720) representing 76% of the total AI Mastermind membership (30 September 2018: 39%).

## AI Mastermind member on-boarding progress

On-Boarding Status	31 December 18		30 September 18		Change
	No	%	No	%	%
Placed multiple orders	207	11%	120	6%	73%
Placed first order	59	3%	44	2%	34%
Ordering Members	266	14%	164	9%	62%
On-boarded or in progress	508	26%	354	19%	44%
On-Boarding members	744	40%	518	28%	49%
Acquisition (Demo)	682	36%	202	11%	238%
Total Engaged Members	1,456	76%	720	39%	102%
Total AI Mastermind Membership	1,917	100%	1,857	100%	3%
% Engaged Members	76%		39%		

Accelerating the rate at which AI Mastermind members are onboarded and engaged in using AIMPro as their primary order processing tool is key to growing the gross transactional revenue through the platform. Altitude's management data demonstrates that active management of AI Mastermind members through the onboarding process increases the speed of adoption of AIMPro by AI Mastermind members and their total order volume and directly influences order frequency. Since the addition of the US engagement team the ordering member statistics have increased at a compound annual growth rate of 35% since January 2018, with adoption rates after initial contact rising to 80%.

### Supplier onboarding

As at 31 December 2018, there were 280 AI Mastermind preferred suppliers of which 70 were onboarded on to AIMPro. This is compared to the 193 preferred suppliers as at 30 September 2018 (of which 65 were onboarded). Current supplier penetration as a percentage of sales order value is 37%\* and growing. The process of uploading the supplier product data to the AIMPro platform has been outsourced to India which will enable an increased rate of successful supplier onboarding going forward.

Under the current model Altitude derives gross transaction revenue by charging transaction fees to the suppliers and so increasing the total penetration levels of onboarded suppliers is key to growing gross transaction revenue.

\* AI Mastermind control group

### 2019 focus

Gross transactional revenue for Altitude is driven by onboarded AI Mastermind member distributors transacting on AIMPro with onboarded AI Mastermind preferred suppliers. Regular interaction between AI Mastermind members and Altitude's dedicated customer service engagement team is proven to lead to increased order throughput and therefore the acceleration of onboarding and engagement with both AI Mastermind distributor members and AI Mastermind preferred suppliers will drive growth in gross transactional revenue.

Additional investment in US resource personnel will enable:

- i. accelerated onboarding of AI Mastermind distributor members to AIMPro;
- ii. enhanced ongoing engagement with onboarded members to encourage order processing and repeat orders; and
- iii. accelerated onboarding of AI Mastermind preferred suppliers.

## 3. BACKGROUND TO AND REASONS FOR THE ACQUISITION AND THE PLACINGS

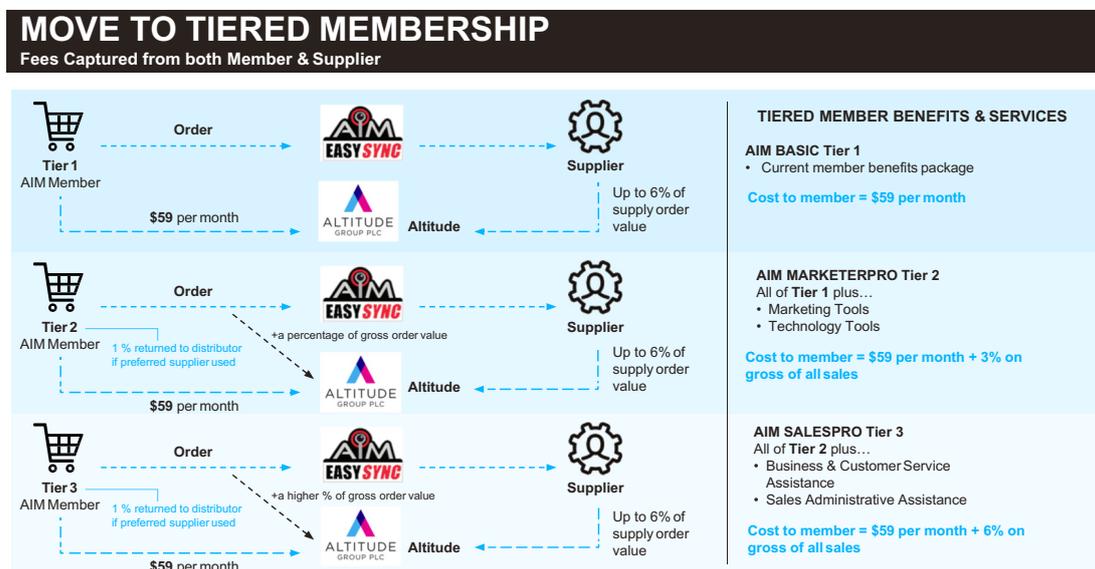
### Acquisition

The Acquisition will enable Altitude to control and therefore monetise the US\$1.7 billion throughput revenue pipeline that exists within the AI Mastermind distributor member group from both the distributor and supplier side.

In particular the Acquisition will enable Altitude to:

- Access and enhance distributor membership fee revenue:
  - o Add existing AI Mastermind distributor membership fees at US\$59 per member per month;
  - o Introduce a tiered membership structure which will provide the opportunity to offer material added value services;
- Remove the existing revenue share with AI Mastermind which will improve AIMPro's gross margin;
- Bill suppliers accurately and on a timely basis via the monthly data synchronisation of all orders placed by distributor members;
- Secure the AI Mastermind partnership in perpetuity; and
- Give Altitude the opportunity to apply its broader group infrastructure to directly drive growth of AI Mastermind and tap the pipeline for additional revenue.

The introduction of the tiered membership structure will enable the existing fee revenue available from the distributor members to be materially enhanced in return for the provision of additional service offerings. These enhanced service levels are already being requested by a number of AI Mastermind members and it is usual for such services to attract additional fees in the US market. Altitude intends to introduce a 3-tiered system which is illustrated below.



*Tier 1 – US\$59 per member per month*

Tier 1 will represent the standard AI Mastermind membership. However, all members will be required to send data via EasySync meaning all orders are captured and invoiceable to the AIMPro preferred supplier regardless of how or where the order is processed. The average percentage GTR gained by AIMPro is dependent on the member throughput and influenced by whether it is derived online (at a higher rate) or offline.

*Tier 2 – US\$59 per member per month plus a percentage of gross transaction value*

Tier 2 customers gain further benefits from enhanced membership including a full order processing system and quotes system, supplier follow up, some artwork and digitisation, and weekly social media posting. The cost to the member will include the base membership fee of US\$59 per month plus a percentage of their gross transaction value.

*Tier 3 – US\$59 per member per month plus a higher percentage of gross transaction value*

Tier 3 customers benefit from full business management, full customer service support, full artwork/digitisation, and enhanced healthcare and retirement benefit packages. The cost to the member will include the base membership fee of US\$59 per month plus a higher percentage of their gross transactional value.

As an added incentive for AI Mastermind members to use AI Mastermind preferred suppliers (from whom Altitude currently derives gross transactional revenue from) when placing their orders on AIMPro, Tier 2 and Tier 3 members will receive a modest rebate on their additional percentage charges on orders placed with an AI Mastermind preferred supplier.

### **Working Capital**

The Company also requires additional working capital in order to accelerate the roll out of AIMPro to AI Mastermind members and to accelerate the onboarding of both AI Mastermind distributor members and AI Mastermind preferred suppliers. Gross transactional revenue through AIMPro is driven by onboarded AI Mastermind member distributors transacting on AIMPro with onboarded AI Mastermind preferred suppliers. Regular interaction between AI Mastermind members and Altitude's dedicated customer service engagement team is proven to lead to increased order throughput and therefore the acceleration of onboarding and engagement with both AI Mastermind distributor members and AI Mastermind preferred suppliers will drive growth in gross transactional revenue.

Additional investment in US resource personnel will enable:

- i. accelerated onboarding of AI Mastermind distributor members to AIMPro;
- ii. enhanced ongoing engagement with onboarded members to encourage order processing and repeat orders;
- iii. accelerated onboarding of AI Mastermind preferred suppliers; and
- iv. the leveraging opportunity afforded by the Acquisition.

## **4. INFORMATION ON THE BUSINESS**

AI Mastermind is the largest and fastest-growing promotional products distributor member group in the US, with 1,917 members (out of approximately 23,000 distributors across the US). Membership numbers have grown from 1,455 as at 31 December 2017 to 1,917 as at 31 December 2018, representing a 32% increase. Over the last 5 years AI Mastermind has delivered a CAGR for member numbers of 74% and for members' revenue of 87%. With a total estimated transaction value across the membership base of US\$1.7 billion annually, the average transaction revenue per member equates to approximately US\$870,000.

AI Mastermind currently charges distributor members US\$59 per member per month, of which AI Mastermind currently retains on average US\$21 after paying away member finder's fees due to a third party. A benefit of AI Mastermind membership includes free access to the AIMPro Tech Suite including the benefits of Altitude's ChannlPro platform in addition to the AI Mastermind membership aggregation benefits of advantageous pricing, discounts on shipping, healthcare, travel, office supply and business insurance, and community networking.

## **5. FINANCIAL INFORMATION ON THE BUSINESS**

The trading record of the Business for the eleven months ended 5 December 2018 and the 12 months ended 31 December 2017 as extracted from the Vendor's financial statements and records and is summarised below:

<b>AIM Financials</b>	<b>11 months 5 December 2018</b>		<b>12 months 31 December 2017</b>	
	<b>\$000</b>	<b>%</b>	<b>\$000</b>	<b>%</b>
<b>Total Revenue</b>	<b>870.3</b>	100.0%	<b>744.6</b>	100.0%
<b>EBIT</b>	<b>640.3</b>	73.6%	<b>434.0</b>	58.3%
<b>PBT</b>	<b>640.6</b>	73.6%	<b>434.1</b>	58.3%

## 6. TERMS OF THE ACQUISITION

The Acquisition will be made pursuant to the Acquisition Agreement. Under this, AIM Smarter has agreed to acquire the AI Mastermind for a maximum consideration of US\$5 million comprising (i) US\$3.5 million payable in cash on Completion, (ii) US\$750,000 to be satisfied by the issue of 860,294 new Ordinary Shares in the Company at the Placing Price and (iii) US\$750,000 (the “**Escrow Amount**”) to be held in escrow for a period of 18 months following Completion in order to secure the performance of the Vendor’s post-closing obligations under the Acquisition Agreement including dealing with one contractual arrangement and ensuring membership retention. Up to 75% of the Escrow Amount will be released to the Vendor in stages 6, 12 and 18 months following Completion upon achievement of certain benchmarks relating to membership retention.

Under the Acquisition Agreement, the Acquisition is conditional, *inter alia*, on the First Placing being successfully completed and First Admission. The Acquisition Agreement contains the usual warranties in relation to the Business in favour of the Company and the Vendor and Jamie Coggeshall, the sole member of the Vendor and Founder of AI Mastermind, have given non-competition and non-solicitation undertakings for a period of 36 months following Completion.

The Vendor has agreed to enter into a lock-in agreement pursuant to which it has undertaken to the Company and to finnCap that, subject to certain exceptions (including the ability to transfer shares to Jamie Coggeshall and his wife), it will not sell or otherwise dispose of, or agree to sell or dispose of, any of its interest in the Ordinary Shares held by it and its connected persons at any time during the period of 12 months following Admission. In addition, certain orderly market provisions will apply for a further period of 12 months after expiry of the 12 month lock-in period.

Jamie Coggeshall has agreed to remain as President of AI Mastermind for a period of three years from Completion and an agreement to this effect has been entered into.

## 7. DETAILS OF THE PLACINGS

The Company is proposing to raise up to £9 million (before expenses) through the issue of the Placing Shares at the Placing Price. The Placing Price represents a discount of approximately 8.11 per cent. to the closing mid-market price of 74.0 pence per Ordinary Share on 14 January 2019, being the Last Practicable Date. The Placing Shares will represent approximately 19.24 per cent. of the Enlarged Share Capital.

finnCap has entered into the Placing Agreement with the Company whereby finnCap has agreed, as agent for and on behalf of the Company, to use its reasonable endeavours to procure subscribers for the Placing Shares at the Placing Price conditionally upon, *inter alia*:

- 7.1 the Placing Agreement becoming unconditional and not being terminated by finnCap in accordance with its terms;
- 7.2 in respect of the First Placing, the Acquisition Agreement having become unconditional in all respects;
- 7.3 in respect of the Second Placing, the Resolutions having been passed without amendment;
- 7.4 First Admission of the First Placing Shares becoming effective by not later than 8.00 a.m. on 17 January 2019 (or such later time and/or date as finnCap and the Company may agree, but not later than 8.00 a.m. on 31 January 2019); and
- 7.5 Second Admission of the Second Placing Shares becoming effective by not later than 8.00 a.m. on 1 February 2019 (or such later time and/or date as finnCap and the Company may agree, but not later than 8.00 a.m. on 28 February 2019).

finnCap may in its absolute discretion waive the conditions referred to above, other than that relating to First Admission and Second Admission.

Under the Placing Agreement, certain warranties have been given by the Company to finnCap concerning, *inter alia*, the accuracy of this document and the presentation to potential investors (together, the “**Placing Documents**”), the affairs of the Company and certain taxation and other matters, and certain indemnities have been given by the Company in relation to finnCap’s involvement in the Placings, First Admission and Second Admission.

The Placing Agreement will be capable of being terminated by finnCap at its absolute discretion at any time before First Admission and/or Second Admission if, *inter alia*, (i) any statement in the Placing Documents has become untrue, inaccurate, incomplete in any material respect or misleading or matters have arisen which would, if the Placing Documents were issued at that time, constitute an omission from them; or (ii) any warranty in the Placing Agreement would, if repeated at First Admission or Second Admission (as the case may be), be untrue, inaccurate or misleading in any respect; or (iii) there have occurred certain *force majeure* events which in the sole judgement of finnCap prejudice the success of the Placings, or which makes it, in the sole judgement of finnCap, impractical to proceed with the Placings and/or either Admission and/or to market Ordinary Shares on the terms and in the manner set out in the Placing Documents.

For the avoidance of doubt, finnCap is not underwriting the Placings.

## 8. CURRENT TRADING OF THE COMPANY

A copy of the Company's trading update released on 27 November 2018 can be found on the Company's website at [www.altitudeplc.com](http://www.altitudeplc.com).

Since that time the Company has continued to make progress with the roll-out of the AIMPro platform to AI Mastermind distributor members and AI Mastermind preferred suppliers. Full details of the most recent statistics in relation to this can be found in Section 2 of this document.

## 9. USE OF PROCEEDS

The proceeds from the Placings will be used to:

- fund the cash portion of the consideration, being US\$4.25 million (c.£3.4 million);
- provide working capital to increase US operational resource, being US\$6.56 million (c.£5.1 million); and
- pay the transaction expenses, being US\$0.6 million (c.£0.5 million).

## 10. DIRECTORS' PARTICIPATION IN THE PLACINGS\*

The Directors of the Company have, in aggregate, subscribed for 389,706 new Ordinary Shares (£265,000 at the Placing Price) in the Placings.

The participation of the Directors of the Company in the Placings is set out in the table below:

	Beneficial holding before the Placings		Placing Shares	Beneficial holding following the issue of the New Ordinary Shares	
	(shares)	(%)		(shares)	(%)
Peter Hallett	231,337	0.42	73,529	304,866	0.44
Martin Varley	12,132,559	22.18	147,059	12,279,618	17.85
Keith Edelman	—	—	147,059	147,059	0.21
Graeme Couturier	28,369	0.05	22,059	50,428	0.07

The participation of the Directors in the Placing constitutes a related party transaction for the purposes of AIM Rule 13.

Nichole Stella, Deborah Wilkinson and Gellan Watt, the Company's Chief Executive Officer, Chief Operating Officer and Non-Executive Director respectively, are considered to be Independent directors for the purposes of AIM Rule 13 ("Independent Directors"). As such the Independent Directors, having consulted with the Company's Nominated Adviser, consider the participation of the Directors in the Placing to be fair and reasonable insofar as the Company's shareholders are concerned.

\* Resultant Director Shareholdings are based on First Admission and Second Admission and the latter therefore subject to successful shareholder approval.

## 11. IRREVOCABLE UNDERTAKINGS

Insofar as they are interested in Ordinary Shares, the Directors 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, 12,939,465 Ordinary Shares, representing approximately 23.66 per cent. of the Company's issued share capital.

In addition, certain other Shareholders, being Simon Taylor and Keith Willis, 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 beneficial holdings totalling, in aggregate, 10,453,273 Ordinary Shares, representing approximately 19.11 per cent. of the Company's existing issued share capital.

In total, therefore, the Company has received irrevocable undertakings and a letter of intent to vote in favour of the Resolutions in respect of holdings totalling in aggregate 23,392,738 Ordinary Shares, representing approximately 42.77 per cent. of the Company's existing issued share capital.

## 12. SETTLEMENT AND DEALINGS

Applications will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM. It is expected that First Admission will occur at 8.00 a.m. on 17 January 2019 and that Second Admission will occur at 8.00 a.m. on 1 February 2019.

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, made or paid on the Existing Ordinary Shares on or after First Admission and the Second Admission. Following the issue of the New Ordinary Shares, the total number of issued Ordinary Shares in the Company will be 68,785,223.

## 13. GENERAL MEETING

The Directors do not currently have sufficient authority to allot the Second Placing Shares. Accordingly, the Directors are seeking the approval of Shareholders at the General Meeting to allot the Second Placing Shares. You will find set out at the end of this document a Notice of General Meeting to be held at the offices of finnCap Ltd, 60 New Broad Street, London EC2M 1JJ on 31 January 2019 at 10.00 a.m. at which the Resolutions will be proposed.

The Resolutions to be passed at the General Meeting are as follows:

(1) *Allotment of Ordinary Shares*

Resolution 1, which will be proposed as an ordinary resolution, is to authorise the Directors to allot the Second Placing Shares in connection with the Second Placing and otherwise to allot relevant securities up to an aggregate nominal amount of £91,714 (representing approximately one third of the Enlarged Issued Share Capital) provided that such authority shall expire on the date being fifteen months from the date of the passing of the resolution or, if earlier, the conclusion of the next annual general meeting of the Company.

(2) *Dis-application of pre-emption rights*

Resolution 2, which will be proposed as a special resolution and which is conditional upon the passing of Resolution 1, dis-applies Shareholders' statutory pre-emption rights (which require a company to offer new shares for cash first to existing shareholders in proportion to their holdings) in relation to the allotment of the Second Placing Shares in connection with the Second Placing and grants further authority to allot equity securities for cash on a non-pre-emptive basis up to an aggregate nominal amount of £27,515 (representing approximately 10 per cent. of the Enlarged Issued Share Capital) provided that such authority shall expire on the date being fifteen months from the date of the passing of the resolution or, if earlier, the conclusion of the next annual general meeting of the Company.

The majority required to pass resolution 2 above is not less than 75 per cent. of the votes cast. Resolution 1 above requires a simple majority.

Shareholders should read the Notice of General Meeting at the end of this document for the full text of the Resolutions and for further details about the General Meeting.

The attention of Shareholders is also drawn to the voting intentions of the Directors and connected parties as set out in the paragraph entitled "Recommendation" below.

#### **14. ACTION TO BE TAKEN**

Set out at the end of this document you will find a notice convening a General Meeting to be held at the offices of finnCap Ltd, 60 New Broad Street, London EC2M 1JJ at 10.00 a.m. on 31 January 2019 to consider and, if thought fit, approve the Resolutions.

Shareholders will find enclosed with this document a Form of Proxy for use in connection with the General Meeting. Whether or not Shareholders intend to be present at the General Meeting, they are requested to complete and return the Form of Proxy in accordance with the instructions printed thereon as soon as possible and, in any event, so as to be received by the Company's registrars, Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, B62 8HD, not later than 48 hours (excluding non-working days) before the General Meeting is scheduled to begin. The completion and return of the Form of Proxy will not preclude Shareholders from attending the General Meeting and voting in person should they so wish.

#### **15. RECOMMENDATION**

The Directors consider that the Resolutions are in the best interests of the Company and would promote the success of the Company for the benefit of its Shareholders as a whole. Accordingly, the Directors unanimously recommend that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting as they and their immediate families and connected persons (within the meaning of section 252 of the Act) intend to do in respect of their aggregate holdings of 12,939,465 Ordinary Shares representing approximately 23.66 per cent. of the Existing Share Capital.

Yours faithfully,

**Peter Hallett**  
*Non-Executive Chairman*

# Altitude Group plc

*(Incorporated in England and Wales under the Companies Act 2006 with registered number 05193579)*

## NOTICE OF GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** a general meeting of Altitude Group plc (the “**Company**”) will be held at the offices of finnCap Ltd, 60 New Broad Street, London EC2M 1JJ at 10.00 a.m. on 31 January 2019 to consider and, if thought fit, to pass the following resolutions which in the case of resolution 1 will be proposed as an ordinary resolution and in the case of resolution 2 will be proposed as a special resolution:

### ORDINARY RESOLUTION

1. **THAT**, in substitution for any equivalent authorities and powers granted to the directors prior to the passing of this resolution, the directors of the Company (the “**Directors**”) be and are generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 (the “**Act**”) to exercise all powers of the Company to allot shares in the Company, and grant rights to subscribe for or to convert any security into shares of the Company (such shares, and rights to subscribe for or to convert any security into shares of the Company being “relevant securities”) up to an aggregate nominal amount of:
  - 1.1 £31,604 in connection with the proposed second placing (the “**Second Placing**”) as described in the circular dated 15 January 2019 which accompanied the notice of general meeting (the “**Circular**”) but for no other purpose;
  - 1.2 £91,714 (in addition to the authorities conferred in sub-paragraph 1.1 above) representing approximately one third of the Company’s enlarged issued ordinary share capital following completion of the Second Placing,

provided that this authority shall, unless previously revoked, varied or extended, expire on the earlier of the date falling 15 months after the date of the passing of this resolution and the conclusion of the next annual general meeting of the Company, except that the Company may, at any time before such expiry, make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the directors may allot relevant securities in pursuance of such an offer or agreement as if this authority had not expired.

### SPECIAL RESOLUTION

2. **THAT**, conditional on the passing of resolution 1, the Directors be and they are empowered pursuant to section 570(1) of the Act to allot equity securities (as defined in section 560 of the Act) of the Company wholly for cash pursuant to the authority of the directors under section 551 of the Act conferred by resolution 1 above and/or by way of a sale of treasury shares for cash (by virtue of section 573 of the Act), in each case as if section 561(1) of the Act did not apply to any such allotment provided that:
  - 2.1 the power conferred by this resolution shall be limited to:
    - 2.1.1 the allotment of equity securities and the sale of treasury shares for cash in connection with an offer of, or invitation to apply for, equity securities:
      - 2.1.1.1 in favour of holders of ordinary shares in the capital of the Company, where the equity securities respectively attributable to the interests of all such holders are proportionate (as nearly as practicable) to the respective number of ordinary shares in the capital of the Company held by them; and
      - 2.1.1.2 to holders of any other equity securities as required by the rights of those securities or as the directors otherwise consider necessary,

but subject to such exclusions or other arrangements as the directors may deem necessary or expedient to deal with treasury shares, fractional entitlements or legal, regulatory or practical problems arising under the laws or requirements of any overseas territory or by virtue of shares being represented by depositary receipts or the requirements of any regulatory body or stock exchange or any other matter whatsoever;

2.1.2 in the case of the authority granted under resolution 1:

2.1.2.1 the allotment (otherwise than pursuant to sub-paragraph 2.1.1 above) of equity securities in connection with the Second Placing;

2.1.2.2 the allotment (otherwise than pursuant to sub-paragraphs 2.1.1 and 2.1.2.1 above) of equity securities or sale of treasury shares up to an aggregate nominal amount of £27,515 (representing approximately 10 per cent. of the Company's issued ordinary share capital); and

unless previously revoked, varied or extended, this power shall expire on the earlier of the date falling 15 months after the date of the passing of this resolution and the conclusion of the next annual general meeting of the Company, except that the Company may, at any time before such expiry, make an offer or agreement which would or might require equity securities to be allotted (and/or treasury shares to be sold) after such expiry and the directors may allot equity securities (and/or sell treasury shares) in pursuance of such an offer or agreement as if this power had not expired.

*Registered Office:*

Unit 4 Rhodes Business Park  
Silburn Way  
Manchester  
M24 4NE

*By order of the Board:*

**Peter Hallett**  
*Non-Executive Chairman*

15 January 2019

#### **Explanatory Notes:**

##### **Entitlement to attend and vote**

1. Only those members registered on the Company's register of members at:

- 6.00 p.m. on 29 January 2019; or,
- if this meeting is adjourned, at 6.00 p.m. on the day two days prior to the adjourned meeting,

shall be entitled to attend and vote at the meeting in accordance with Regulation 41 of the Uncertificated Securities Regulations 2001. Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.

##### **Appointment of proxies**

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 meeting and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
3. A proxy does not need to be a member of the Company but must attend the meeting to represent you. Details of how to appoint the chairman of the 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 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 more than one share. To appoint more than one proxy please refer to the notes on the proxy form.

##### **Appointment of proxy using hard copy proxy form**

5. The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote. To appoint a proxy using the proxy form, the form must be:
  - completed and signed;
  - sent or delivered to Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA; and
  - received by Neville Registrars Limited, Neville House, Steelpark Road, Halesowen B62 8HD no later than 10.00 a.m. on 29 January 2019.
6. 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.
7. 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.

### **Appointment of proxy by joint members**

8. 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).

### **Changing proxy instructions**

9. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off times for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.
10. Where you have appointed a proxy using the hard copy proxy form and would like to change the instructions using another hard copy proxy form, please contact Neville Registrars Limited, Neville House, Steelpark Road, Halesowen B62 8HD.
11. 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.

### **Termination of proxy appointment**

12. In order to revoke a proxy instruction, you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Neville Registrars Limited, Neville House, Steelpark Road, Halesowen B62 8HD.
13. 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.
14. 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.
15. The revocation notice must be received by Neville Registrars Limited, Neville House, Steelpark Road, Halesowen B62 8HD no later than 10.00 a.m. on 29 January 2019.
16. 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.
17. Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.

### **Submission of proxy electronically**

18. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the 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 sponsor or voting service provider who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it relates to the appointment of a proxy, the revocation of a proxy appointment or an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID 7RA11) by the latest time(s) for receipt of proxy appointments specified in this notice of meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to a proxy appointed through CREST should be communicated to the appointee by other means.

CREST members and, where applicable, their CREST sponsors or voting service providers 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 take) 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 providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

### **Corporate representative**

19. A corporation which is a shareholder can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share.