

THIS DOCUMENT AND THE ACCOMPANYING FORM OF PROXY ARE IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. The documentation contains proposals relating to Octagonal Plc (the “Company”) on which you are being asked to vote. When considering what action you should take, you are recommended immediately to seek your own personal independent financial advice from an appropriately qualified independent financial adviser authorised pursuant to the Financial Services and Markets Act 2000, as amended, if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

If you have sold, disposed of or otherwise transferred all of your ordinary shares in the Company, please forward this document and the accompanying Form of Proxy as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale, disposal or transfer was effected, for onward transmission to the purchaser or transferee. If you have sold, disposed or transferred part of your holding in the Company, please consult with the stockbroker, bank or other agent through whom you made the disposal.

The distribution of this Circular in jurisdictions other than the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons into whose possession this Circular comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

This Circular should be read as a whole. Your attention is drawn in particular to the letter from the Chairman of the Company which is set out on pages 4 to 7 of this Circular, which contains the unanimous recommendation of the Board that you vote in favour of the Resolution to be proposed at the General Meeting of the Company referred to in this Circular.

OCTAGONAL PLC

(incorporated in England and Wales under company number 06214926)

PROPOSED AMENDMENT TO THE INVESTING POLICY AND NOTICE OF GENERAL MEETING

The proposals described in this Circular are conditional on Shareholder approval at the General Meeting. Notice of the General Meeting of the Company to be held at 200 Strand, London WC2R 1DJ on 18 September 2014 at 11.00 a.m. is set out at the end of this Circular. A Form of Proxy for use in relation to the General Meeting is enclosed. Forms of Proxy should be completed and returned to the Company at Suite 3B, 38 Jermyn Street, London SW1Y 6DN as soon as possible and in any event so as to be received not later than 48 hours before the time fixed for the General Meeting.

Cautionary note regarding forward-looking statements

This Circular contains a number of “forward-looking statements”. Generally, the words “will”, “may”, “should”, “continue”, “believes”, “expects”, “intends”, “anticipates”, “forecast”, “plan” and “project” or in each case, their negative, or similar expressions identify forward-looking statements. Such statements reflect the Company’s current views with respect to future events and are subject to risks, assumptions and uncertainties that could cause the actual results to differ materially from those expressed or implied in the forward-looking statements. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Shareholders should not, therefore, place undue reliance on these forward-looking statements, which speak only as of the date of this document. Except as required by the FCA, the London Stock Exchange or applicable law (including as may be required by the AIM Rules, the Prospectus Rules and the Disclosure and Transparency Rules), the Company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this Circular to reflect any change in the Company’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

DEFINITIONS

The following definitions apply throughout this circular, unless the context otherwise requires.

AIM	a market of that name operated and regulated by the London Stock Exchange
AIM Rules	the rules of the London Stock Exchange governing admission to, and operation of, AIM and comprising the AIM Rules for Companies and the AIM Rules for Nominated Advisers, as amended from time to time
Board or Directors	the board of directors of the Company whose names are set out on page 4
Circular	this document
Company	Octagonal PLC, incorporated in England and Wales with registered number 06214926
Disclosure and Transparency Rules	the disclosure and transparency rules made by the FCA in exercise of its functions as competent authority
Existing Investing Policy	the investing policy of the Company in force as at the date of this Circular
FCA	Financial Conduct Authority
Form of Proxy	the form of proxy enclosed with this Circular
General Meeting	the general meeting of the Company convened for 11.00 a.m. on 18 September 2014 (or any adjournment thereof), notice of which is set out at the end of this Circular
London Stock Exchange	the London Stock Exchange PLC
New Investing Policy	the proposed investment policy that will be adopted by the Company if the Resolution is passed, as set out on page 5 of this Circular
Ordinary Shares	ordinary shares of 0.05p each in the capital of the Company
Prospectus Rules	the prospectus rules of the FCA and contained in contained in the FCA's Prospectus Rules sourcebook
Proposals	the proposed change of the investing policy set out in this Circular
Resolution	the resolution to be proposed at the General Meeting and contained in the Notice of General Meeting set out at the end of this Circular
Shareholder	a registered holder of Ordinary Shares

EXPECTED TIMETABLE OF EVENTS

Latest time for receipt of Forms of Proxy	11.00 a.m. on 16 September 2014
General Meeting	11.00 a.m. on 18 September 2014

The dates set out in this Circular are based on the Directors current expectations and are subject to change. Any such changes will be notified to Shareholders through a regulatory information service.

All references to times in this Circular are to London time.

PART I

LETTER FROM CHAIRMAN

OCTAGONAL PLC

(incorporated in England and Wales under company number 06214926)

Donald Strang (“Executive Chairman”)
Jason Berry (“Executive Director”)
Hamish Harris (“Executive Director”)
David Lenigas (“Non Executive Director”)

Registered Office:
Suite 3b
38 Jermyn Street
London
SW1Y 6DN

3 September 2014

To the Shareholders and, for information only, to the Option Holders and Warrant Holders

Dear Shareholder,

Proposed amendment to the investing policy of the Company and Notice of General Meeting

1 Introduction

The Company has announced today that the Directors are convening a general meeting of the Company’s shareholders to consider, and if thought fit approve, the New Investing Policy.

I have pleasure in inviting you to attend a General Meeting of the Company which will be held at 11.00a.m. on 18 September 2014 at 200 Strand, London WC2R 1DJ.

The purpose of this Circular is to explain to you the background to the Resolution being proposed at the General Meeting and the action that you should take to register your vote.

2 Background to the Proposals

The strategy of the Directors at the time of the adoption of the Existing Investing Policy was to pursue investments in companies and/or projects in the natural resources and/or agriculture sectors, however, opportunities in other sectors formed part of this investing policy. The Existing Investing Policy was approved by Shareholders in a general meeting on 2 October 2013 at which time the Company was also re-classified as an Investing Company (as defined in the AIM Rules).

Despite considering a number of investment opportunities and acquisitions in the natural resources and agriculture sectors, the Board has been unable to identify suitable investments in those areas which, in the Directors’ opinion, could potentially add value to the Company. Therefore the Board began to look at other sectors for investment opportunities and on 27 March 2014, the Company announced its acquisition of a 9.97 per cent. stake in Global Investment Strategy UK Limited, a London headquartered financial services company trading in the global markets, including equities, fixed income, commodities, currency and futures, using its proprietary online trading platforms and clearing and safe custody systems. Whilst the investment in Global Investment Strategy UK Limited and the potential investments that the Directors are now considering could be covered by the Existing Investing Policy, the Board considers it appropriate to seek Shareholder approval to adopt a more specific investing policy as detailed below. The consequence of this is that the natural resources and/or agriculture sectors will no longer be a focus of the New Investing Policy. The Board will continue to provide regular updates to Shareholders on the investments made.

The Directors are, as set out in the Resolution, proposing to amend the Existing Investing Policy to focus on investments in the financial services sector.

3 Proposed amendments to the investing policy

The New Investing Policy, which is subject to Shareholder approval, represents an amendment of the Company's Existing Investing Policy and is set out in full below:

3.1 New Investing Policy

The Company's proposed New Investing Policy is to invest in and/or acquire companies and/or projects within financial services sector with potential for growth and/or if the Board considers there is an opportunity to generate an attractive return for Shareholders.

In general, in selecting investment opportunities, the Board will focus on businesses, assets and/or projects that are available at attractive valuations and hold opportunities to unlock embedded value. The Directors intend to mitigate risk by appropriate due diligence and transaction analysis. Where appropriate, which will typically be in relation to unquoted investments, the Board may seek to invest in businesses where it may influence the business at a board level, add their expertise to the management of the business, and utilise their significant industry relationships and access to finance. The ability to work alongside a strong management team to maximise returns through revenue growth will be something the Board will focus upon initially.

The Company's interests in a proposed investment and/or acquisition may range from a minority position to full ownership. The proposed investments may be in either quoted or unquoted companies; be made by direct acquisitions; and may be in companies, partnerships, equity, debt or other loan structures, joint ventures or direct or indirect interests in assets or projects.

There is no limit on the number of investments which the Company may make and the Company's financial resources may be invested in a number of propositions or in just one investment, which may be deemed to be a reverse takeover under the AIM Rules. Any transaction constituting a reverse takeover under the AIM Rules will also require Shareholder approval.

The Board expects that investments will typically be held for the medium to long term, although short term disposal of assets cannot be ruled out if there is an opportunity to generate an attractive return for Shareholders. The Board will place no minimum or maximum limit on the length of time that any investment may be held and in most circumstances, it will be dependent on market conditions. The Company may be both an active and a passive investor depending on the nature of the individual investment.

Where the Company builds a portfolio of related investments it is possible that there may be cross holdings between such assets. The Board considers that as investments are made, and new promising investment opportunities arise, further funding of the Company may also be required. The Company does not currently intend to fund any investments with debt or other borrowings but may do so in future, if appropriate. The Board may also offer new Ordinary Shares by way of consideration as well as cash, thereby helping to preserve the Company's cash for working capital and as a reserve against unforeseen contingencies including, for example, delays in collecting accounts receivable, unexpected changes in the economic environment and operational problems.

The Company will not have a separate investment manager. The Company proposes to carry out a comprehensive and thorough project review process in which all material aspects of a potential project or business will be subject to rigorous due diligence, as appropriate.

As an Investing Company, the Company will be required to make an acquisition or acquisitions which constitutes a reverse takeover under the AIM Rules or otherwise implement its proposed New Investing Policy on or before the date falling twelve months from the adoption of the Existing Investing Policy failing which, the Company's Ordinary Shares would then be suspended from trading on AIM. In the event that the Company's Ordinary Shares are so suspended and the Company fails to obtain Shareholders' consent to renew such policy, the admission to trading on AIM would be cancelled six months from the date of suspension.

4 Risks associated with the Proposals

The effect of the proposed amendment to the Company's Existing Investing Policy, if approved, will result in the Company's resources being invested, or in reviewing opportunities in, the financial services sector. In the Board's opinion, the additional risks to which the Company may be exposed are as follows:

Financial Services Industry

The financial services industry is characterised by frequent change, including dramatic changes in laws, rules and regulations, the effects of which have been difficult to predict and have caused significant structural changes and expenditures. In addition to an evolving regulatory environment, the industry has been subject to radical changes in pricing structure, alternating periods of contraction and expansion and intense competition from within and outside the industry.

Industry Changes and Competitive Factors

The financial services businesses in which the Company may invest in are extremely competitive. The businesses which the Company may invest in will compete directly with other financial services providers. Many of their competitors will have substantially greater capital and resources and offer a broader range of financial services and products.

The financial services industry has experienced considerable consolidation as numerous financial services firms have either been acquired by other financial services firms or have ceased operations. In many cases, this has resulted in an increase in the financial resources of the potential competitors of the Company. In addition, a number of heavily capitalized companies that were not previously engaged in the financial services business have made investments in and acquired financial services firms. Increasing competitive pressures in the financial services industry may require smaller firms to offer to their customers many of the services that are provided by much larger firms that have substantially greater resources than the Company.

Certain institutions, notably commercial banks and thrift institutions, have become a competitive factor in the financial services industry by offering investment banking and corporate and individual financial services traditionally provided only by securities firms. Commercial banks, generally, are expanding their securities activities and their activities relating to the provision of financial services, and are deriving more revenue from these activities.

Valuation error

The Company may miscalculate the realisable value of an investment in a project or business. A lack of reliable information, errors in assumptions or forecasts and/or inability to successfully implement an investment, among other factors, could all result in the project or business having a lower realisable value than anticipated. If the Company is not able to realise an investment at its anticipated levels of profitability, projected investment returns could be adversely affected.

Financing

Implementation of the New Investing Policy may require significant capital investment. The only sources of financing currently available to the Company are its limited cash resources and any potential future issues of additional equity capital. The Company's ability to raise further funds will depend on the success of existing and acquired investments. The Company may not be successful in procuring the requisite funds on terms which are acceptable to it (or at all) and, if such funding is unavailable, the Company may be required to reduce the scope of its investments or anticipated expansion. Holders of Ordinary Shares may be materially diluted if debt financing is not available.

Regulation

The financial services industry is subject to regulation by various regulatory authorities that are charged with protecting the interests of broker-dealers' and investment advisers' customers. The Company may invest additional financial resources in exploring compliance requirements and adhering to the relevant regulation.

Effect of Net Capital Requirements

The FCA and other regulators of financial services have stringent rules with respect to the net capital requirements of securities firms. A significant operating loss or extraordinary charge against net capital may adversely affect the ability of a financial services business to expand or even maintain their present levels of business and the ability to support their obligations or requirements.

5 General Meeting

Under the AIM Rules, the Company is required to seek the approval of Shareholders for any material change to its investing policy and therefore an ordinary resolution to approve the changes to the Company's Existing Investing Policy will be proposed at the General Meeting.

The full text of the Resolution is set out in the Notice of General Meeting at the end of this Circular.

The General Meeting is proposed to be convened at 11.00 a.m. on 18 September 2014 at 200 Strand, London WC2R 1DJ

6 Form of Proxy

Whether or not you intend to attend the General Meeting, you should ensure that your Form of Proxy is returned in hard copy form by post, courier or by hand to the Company Suite 3B, 38 Jermyn Street, London SW1Y 6DN by no later than 11.00 a.m. on 16 September 2014. To be valid, the relevant Form of Proxy should be completed in accordance with the instructions accompanying it and lodged with the Company's Registrars by the relevant time.

Completion and return of the Form of Proxy will not affect a Shareholder's right to attend, speak and vote at the General Meeting.

7 Board Recommendation

The Board considers that the Resolution is in the best interests of the Company and its Shareholders as a whole and it unanimously recommends to Shareholders that they should vote in favour of it as the Board intend to do so in respect of any Ordinary Shares held by them.

Yours faithfully

Donald Strang
Executive Chairman

OCTAGONAL PLC

(incorporated and registered in England and Wales no. 06214926)

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that the General Meeting of Octagonal PLC (“**the Company**”) will be held on 18 September 2014 at 11.00 a.m. at 200 Strand, London WC2R 1DJ for the purpose of considering and, if thought fit, passing the following resolution, which will be proposed as ordinary resolution:

The definitions as set out in the circular to shareholders dated 3 September 2014 published by the Company (the “**Circular**”) shall apply to this Notice of General Meeting unless the context otherwise requires.

THAT the New Investing Policy, as set out in the Circular, be approved and adopted and the Directors of the Company be authorised to take all such steps as any of them may consider necessary or desirable to implement the New Investing Policy.

By Order of the Board

Registered office:
Suite 3B
38 Jermyn Street
London
SW1Y 6DN

Donald Strang
Company Secretary

3 September 2014

Notes:

- 1 A member of the Company entitled to attend, speak and vote at the meeting convened by this notice may appoint one or more proxies to attend, speak and vote in his place. A proxy need not be a member of the Company. A Form of Proxy is enclosed for use at this General Meeting.
- 2 Completing and returning a Form of Proxy does not preclude a member from attending and voting at the General Meeting.
- 3 To be valid, a Form of Proxy and, if applicable, any authority under which it is signed, or a notarially certified copy of such authority must be lodged with the Company at Suite 3B, 38 Jermyn Street, London SW1Y 6DN no later than 11.00 a.m. on 16 September 2014. A Form of Proxy is enclosed.
- 4 For the purposes of determining who is entitled to attend or vote (whether on a show of hands or a poll) at the General Meeting a person must be entered on the register of members not later than 11.00 a.m. on 16 September 2014 or if the General Meeting is adjourned, you must be entered on the register on the date which is two days prior to the date of any adjourned General Meeting.
- 5 In the case of joint holders of shares, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the other joint holder(s) and for this purpose seniority will be determined by the order in which the names stand in the register of members of the Company in respect of the relevant joint holding.
- 6 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, you may photocopy this form. Please indicate the proxy holder's name and the number of shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of shares held by you). Please also indicate if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned together.
- 7 As at the close of business on 2 September 2014 (the last business day prior to the publication of this Notice of General Meeting), the Company's issued ordinary share capital comprised 748,410,088 ordinary shares of 0.05p each. Each ordinary share 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 the time and date given above is 748,410,088.