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Application will be made for the whole of the issued and to be issued ordinary share capital of Octagonal plc to be admitted to trading on AIM, a market operated by London Stock Exchange plc.

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 United Kingdom Listing Authority (“Official List”). 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 in the form set out in Schedule Two to the AIM Rules for Nominated Advisers. Neither the UK Listing Authority nor London Stock Exchange plc has examined or approved the contents of this document. It is emphasised that no application is being made for admission of these securities to the Official List. The Ordinary Shares are not dealt on any regulated market and no application has been or is being made for the Ordinary Shares to be admitted to any such exchange.

The whole text of this document should be read. Your particular attention is drawn to the risk factors set out in Part II of this document. The whole of this document should be read in light of those risk factors. The rules of AIM are less demanding than those of the Official List. It is expected that Admission will become effective and dealings will commence in the Ordinary Shares on 30 June 2015.

This document, which comprises an admission document required by the rules of AIM, has been drawn up in accordance with the AIM Rules. This document does not contain an offer of transferable securities to the public within the meaning of section 102B to the Financial Services and Markets Act 2000 (as amended) and does not require a prospectus within the meaning of article 85 of the Financial Services and Markets Act 2000 (as amended).

OCTAGONAL PLC

(Incorporated and registered in England and Wales with registered number 06214926)

PROPOSED ACQUISITION OF GLOBAL INVESTMENT STRATEGY UK LIMITED

APPROVAL OF WAIVER OF THE OBLIGATIONS UNDER RULE 9 OF THE TAKEOVER CODE

PROPOSED CAPITAL REORGANISATION

SUBSCRIPTION OF 85,000,000 NEW ORDINARY SHARES AT A PRICE OF £0.02 PER NEW ORDINARY SHARE

ADMISSION OF THE ENLARGED ISSUED SHARE CAPITAL TO TRADING ON AIM

AND

NOTICE OF GENERAL MEETING

Nominated Adviser

Broker on Admission



Beaumont Cornish Limited

Northland Capital Partners Limited

Authorised and regulated by the Financial Conduct Authority

Authorised and regulated by the Financial Conduct Authority

Issued ordinary share capital immediately following the Capital Reorganisation and Admission

	<i>Number</i>	<i>Amount</i>
New Ordinary Shares of 0.05p each	560,226,886	£280,113.44

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Notice convening a General Meeting of the Company to be held at 200 Strand, London WC2R 1DJ on 29 June 2015 at 10.00 a.m. is set out at the end of this document. A Form of Proxy accompanies this document. To be valid, the Form of Proxy for use at the meeting must be completed and returned so as to be received at the offices of the Company's registrars, Share Registrars Limited of Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey, GU9 7LL not later than 10.00 a.m. on 25 June 2015. The completion and depositing of a Form of Proxy will not preclude Shareholders from attending and voting in person at the General Meeting should they wish to do so.

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 BCL at 29 Wilson Street, London EC2M 2SJ from the date of this document and for a period of at least one month from Admission.

OVERSEAS SHAREHOLDERS

This document does not constitute an offer to sell, or a solicitation to buy, Ordinary Shares in any jurisdiction in which such offer or solicitation is unlawful. In particular, this document is not, subject to certain exceptions, for distribution in or into the United States of America, Canada, Australia, the Republic of South Africa or Japan. The Ordinary Shares have not been nor will be registered under the United States Securities Act of 1933, as amended, nor under the securities legislation of any state of the United States or any province or territory of Canada, Australia, the Republic of South Africa, Japan or in any country, territory or possession where to do so may contravene local securities laws or regulations. Accordingly, the Ordinary Shares may not, subject to certain exceptions, be offered or sold directly or indirectly in or into the United States of America, Canada, Australia, the Republic of South Africa, Japan or to any national, citizen or resident of the United States of America, Canada, Australia, the Republic of South Africa or Japan. The distribution of this document in certain jurisdictions may be restricted by law. No action has been taken by the Company or by Beaumont Cornish Limited that would permit a public offer of Ordinary Shares or possession or distribution of this document where action for that purpose is required. Persons into whose possession this document 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.

Holding Ordinary Shares may have implications for overseas shareholders under the laws of the relevant overseas jurisdictions. Overseas shareholders should inform themselves about and observe any applicable legal requirements. It is the responsibility of each overseas shareholder to satisfy himself as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with other necessary formalities which are required to be observed and the payment of any issue, transfer or other taxes due in such jurisdiction.

FORWARD LOOKING STATEMENTS

Certain statements in this document are "Forward Looking statements." These Forward Looking statements are not based on historical facts but rather on management's expectations regarding the Company's future growth, results of operations, performance, future capital and other expenditures (including the amount, nature and sources of funding thereof). Such Forward Looking statements reflect management's current beliefs and assumptions and are based on information currently available to management. Forward Looking statements involve significant known and unknown risks and uncertainties. A number of factors could cause actual results to differ materially from the results discussed in the Forward Looking statements including risks associated with vulnerability to general economic market and business conditions, competition, regulatory changes and related activities, actions by governmental authorities, the availability of capital markets, reliance on key personnel, uninsured and underinsured losses and other factors, many of which are beyond the control of the Company. Although the Forward Looking statements contained in this document are based upon what management believes to be reasonable assumptions the Company cannot assure investors that actual results will be consistent with these Forward Looking statements.

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KEY STATISTICS

(assuming the Capital Reorganisation takes place, unless otherwise stated)

Issue Price per Consideration Share and Subscription Share	2p
Number of Existing Ordinary Shares in issue as at the date of this document	1,193,098,159
Number of New Ordinary Shares in issue following the Capital Reorganisation and immediately before the issue of the Consideration Shares and the Subscription Shares*	108,463,469
Number of Consideration Shares to be issued	336,136,132
Number of Subscription Shares to be issued	85,000,000
Number of New Ordinary Shares to be issued pursuant to the Warrant Conversion and Option Conversion	28,327,285
Number of BCL New Ordinary Shares to be issued	2,300,000
Enlarged Issued Share Capital	560,226,886
Percentage of Enlarged Issued Share Capital represented by the Consideration Shares	60.00 per cent.
Percentage of Enlarged Issued Share Capital represented by the Subscription Shares	15.17 per cent.
Number of Warrants and Options in issue on Admission*	333,333
Diluted Enlarged Share Capital on Admission	560,560,219
Gross proceeds from the Subscription Shares	£1,700,000
Estimated cash proceeds of the Subscription receivable by the Company (net of expenses)	£1,243,000
Market capitalisation of the Enlarged Group on Admission at the Issue Price	£11,205,000
Existing International Security Identification Number ("Old ISIN")	GB00BDD2DY82
New International Security Identification Number following Capital Reorganisation ("New ISIN")	GB00BWWCHQ23
Tradeable Instrument Display Mnemonic ("TIDM")	OCT

* assuming no warrants are exercised before Admission and have been calculated on the basis that the Existing Ordinary Shares are re-organised into 108,463,469 Ordinary Shares following the Capital Reorganisation and not taking into account any rounding down of fractional entitlements.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

	2015*
Publication of this document	11 June
Latest time and date for receipt of the Form of Proxy for the General Meeting	10.00 a.m. on 25 June
Time and date of the General Meeting	10.00 a.m. on 29 June
Record Date for the Capital Reorganisation	6.00 p.m. on 29 June
Completion of the Proposals and commencement of dealings of the Enlarged Issued Share Capital on AIM	30 June
CREST accounts credited in respect of the Subscription Shares	30 June
Despatch of definitive share certificates in respect of the Subscription Shares within 14 days of Admission	

* *All references to times in this timetable are to London times and each of the times and dates are indicative only and may be subject to change. Any such change will be notified by an announcement on a regulatory information service.*

DIRECTORS, PROPOSED DIRECTORS, SECRETARY AND ADVISERS

Proposed Directors	Grant Roberts John Gunn Nilesh Jagatia (FCCA) Martin Davison	<i>Non-Executive Chairman</i> <i>Chief Executive Officer</i> <i>Finance Director</i> <i>Non-Executive Director</i>
	All of: 2nd Floor 2 London Wall Buildings, London EC2M 5PP	
Existing Directors*	Donald Strang Jason Berry David Lenigas	<i>Executive Chairman</i> <i>Executive Director</i> <i>Non-Executive Director</i>
	All of: Suite 3B 38 Jermyn Street London SW1Y 6DN	
Company Secretary	Donald Strang	
Registered Office	Suite 3B 38 Jermyn Street London SW1Y 6DN	
Nominated Adviser	Beaumont Cornish Limited 29 Wilson Street London EC2M 2SJ	
Broker**	Northland Capital Partners Limited 131 Finsbury Pavement, London EC2A 1NT	
Auditors and Reporting Accountants	Chapman Davis LLP 2 Chapel Court London SE1 1HH	
Solicitors to the Company	Kerman & Co LLP 200 Strand London WC2R 1DJ	
Solicitors to the Nominated Adviser and Broker	Squire Patton Boggs (UK) LLP 7 Devonshire Square London EC2M 4YH	
Registrars	Share Registrars Limited Suite E, First Floor 9 Lion and Lamb Yard Farnham, Surrey GU9 7LL	
Website	www.octagonalplc.com	

** With effect for Admission

DEFINITIONS

The following words and expressions apply throughout this document unless the context requires otherwise:

“\$”, “USD” and “US Dollar”	lawful currency for the time being of the United States of America;
“£”, “British pound sterling” and “p”	lawful currency for the time being of the United Kingdom;
“Acquisition”	the proposed acquisition by the Company of the issued share capital of Global Investment Strategy not already owned by the Company pursuant to the terms of the Acquisition Agreements;
“Acquisition Agreements”	the conditional acquisition agreements dated 11 June 2015 between the Company and the Vendors in relation to the sale and purchase of Global Investment Strategy, further details of which are set out in paragraph 11.1 of Part VII of this document;
“Admission”	admission of the Enlarged Issued Share Capital to trading on AIM becoming effective in accordance with rule 6 of the AIM Rules;
“Admission Document”	this document;
“AIM”	AIM, a market of that name operated by the London Stock Exchange;
“AIM Rules for Companies”	the AIM Rules for Companies published by the London Stock Exchange, as amended from time to time (including, without limitation, any guidance notes) which govern the rules and responsibilities of companies whose shares are admitted to trading on AIM;
“Articles”	the articles of association of the Company at the date of this document;
“Audit Committee”	the audit committee of the New Board;
“BCL”	Beaumont Cornish Limited, the Company’s nominated adviser;
“BCL Shares”	2,300,000 New Ordinary Shares to be issued to BCL in connection with their role as nominated adviser, conditional on Admission;
“Board”	the Existing Directors and the Proposed Directors whose names appear on page 5 of this document;
“Capital Reorganisation”	the proposed consolidation of the Existing Ordinary Shares followed by the proposed sub-division and re-designation of those shares into New Ordinary Shares and Deferred Shares;
“Companies Act”	Companies Act 2006 (as amended);
“Company” or “Octagonal”	Octagonal PLC, a company incorporated in England and Wales with company number 06214926 and whose registered office address is at Suite 3B, 38 Jermyn Street London SW1Y 6DN;
“Completion”	completion of the Acquisition in accordance with the terms of the Acquisition Agreements;
“Concert Party”	the Vendors, David Lenigas and Nilesh Jagatia, as set out in Part II of this document;
“Consideration Shares”	336,136,132 New Ordinary Shares to be issued to the Vendors pursuant to the terms of the Acquisition Agreements;
“Connected Person”	so far as could be known from reasonable investigation, a person connected with an individual or company within the meaning of sections 252 to 255 of the Companies Act;
“Controlling Shareholder”	John Gunn;

“CREST”	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear US & Ireland Limited is the Operator (as defined in the CREST Regulations);
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001/3755), as amended, and any applicable rules made under those regulations;
“Deferred Shares”	the deferred shares of 0.50p each in the capital of the Company;
“Diluted Enlarged Share Capital”	the Enlarged Issued Share Capital plus the New Ordinary Shares to be issued subject to the exercise of the Existing Warrants in existence on Admission;
“Directors”	the Existing Directors and the Proposed Directors identified as such on page 6 of this document;
“Disclosure and Transparency Rules” or “DTR”	the Disclosure and Transparency Rules being the rules and regulations made by the FCA in its capacity as the UKLA under Part VI of FSMA, as amended and contained in the UKLA publication of the same name;
“Enlarged Group”	the Company and its subsidiaries following completion of the Acquisition;
“Enlarged Issued Share Capital”	the issued ordinary share capital of the Company following the Capital Reorganisation as enlarged by the Consideration Shares to be issued pursuant to the Acquisition and the Subscription Shares to be issued pursuant to the terms of the Subscription and the BCL Shares;
“Existing Directors”	Donald Strang, David Lenigas and Jason Berry;
“Existing Issued Share Capital” or “Existing Ordinary Shares”	the 1,193,098,159 Ordinary Shares in issue at the date of this document;
“Existing Warrants”	warrants to subscribe for 333,333 New Ordinary Shares following the Capital Reorganisation;
“Euroclear”	Euroclear UK & Ireland Limited;
“FCA”	the Financial Conduct Authority;
“FCA Approval”	the written approval of the FCA of the Company proposing to acquire control of Global Investment Strategy, a FCA regulated firm;
“Form of Proxy”	the form of proxy which is enclosed with this document for use by holders of Existing Ordinary Shares in connection with the General Meeting;
“FSMA”	the Financial Services and Markets Act 2000 (as amended);
“General Meeting” or “GM”	the general meeting of the Company convened for 10.00 a.m. on 25 June 2015, and adjournment thereof, notice of which is set out at the end of this document;
“Global Investment Strategy” or “Global Investment Strategy UK Limited” or “GIS”	Global Investment Strategy UK Limited, a company incorporated in England and Wales with company number 04576299 and whose registered office address is Brook Point, 1412 High Road, London N20 9BH;
“Group”	the Company and its Subsidiaries;
“Independent Directors”	Donald Strang and Jason Berry;
“Independent Shareholders”	the holders of Existing Ordinary Shares other than any person being a member of the Concert Party;
“Introduction Agreement”	the introduction agreement dated 11 June 2015 between the Company (1), the Directors (2), Northland Capital Partners (3) and BCL (4), a summary of which is set out in paragraph 11.2 of part VII of this Document;

“Issue Price”	2p, being the price at which the Consideration Shares and Subscription Shares are to be issued;
“Lock-in Deeds”	the conditional lock-in deeds dated 11 June 2015, further details of which are contained in paragraph 8 of Part I of this document;
“Locked-in Persons”	the Directors and the Vendors, further details of which are set out in paragraph 8 of Part I of this document;
“London Stock Exchange”	London Stock Exchange PLC;
“New Board”	the Proposed Directors;
“New Ordinary Shares”	the ordinary shares of 0.05p each following the consolidation, sub-division and re-designation of the Existing Ordinary Shares pursuant to the Capital Reorganisation;
“Notice”	the notice of the General Meeting set out at the end of this document;
“Northland Capital Partners”	Northland Capital Partners Limited, the Company’s broker on Admission;
“Official List”	the Official List of the UK Listing Authority;
“Option Conversion”	the issue of 5,848,485 New Ordinary Shares, conditional on Admission, in settlement of outstanding options, further details of which are set out in paragraph 14.2 of Part I of this document
“Options”	share options to subscribe for new Ordinary Shares;
“Ordinary Shares”	the ordinary shares of 0.05p each in the capital of the Company;
“Panel”	the Panel on Takeovers and Mergers;
“Pinnacle”	Pinnacle Investment Management Limited, a company registered in England, with registered number 04434949 having its registered office located at 1412 High Road, Brook Point, London N20 9BH.
“Proposals”	together, the Acquisition, the Capital Reorganisation, the Subscription, the Whitewash Resolution and Admission;
“Proposed Directors”	the proposed directors whose names appear on page [5] of this document;
“QCA”	Quoted Companies Alliance;
“Registrars”	Share Registrars Limited of Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey, GU9 7LL;
“Relationship Agreement”	the relationship agreement between John Gunn, Northland Capital Partners, BCL and the Company dated 11 June 2015;
“Remuneration Committee”	the remuneration committee of the New Board;
“Resolutions”	the resolutions to be proposed at the General Meeting as set out in the notice of general meeting, which begins on page 105 of this document;
“Rule 9”	Rule 9 of the Takeover Code;
“Shareholders”	holders of issued Ordinary Shares;
“Subsidiary” or “Subsidiaries”	a subsidiary undertaking (as defined by section 1162 of the Companies Act 2006 (as amended) of the Company and “Subsidiaries” shall be construed accordingly;
“Subscribers”	the persons who have confirmed their agreement to participate in the Subscription and to subscribe for the Subscription Shares conditional on Admission;
“Subscription”	the conditional Subscription of the Subscription Shares carried out by the Company;
“Subscription Price”	2p per Subscription Share;

“Subscription Share(s)”	the 85,000,000 New Ordinary Shares which are the subject of the Subscription;
“Takeover Code”	the City Code on Takeovers and Mergers issued from time to time by or on behalf of the Panel;
“UK” or “United Kingdom”	United Kingdom of Great Britain and Northern Ireland;
“UK Listing Authority”	the Financial Services Authority acting in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000;
“Vendors”	the shareholders of Global Investment Strategy not including the Company, comprising John Gunn, Corstone Capital Partners LLC and Suki Gunn;
“Waiver”	the waiver which has been granted by the Panel, conditional upon the approval by the Independent Shareholders of the Whitewash Resolution on a poll, of the obligations to make a mandatory offer for the entire issued and to be issued share capital of the Company not already held by the Concert Party which might otherwise be imposed on the Concert Party under Rule 9 of the Takeover Code, as a result of the issue of the Consideration Shares to the Concert Party pursuant to the Acquisition;
“Warrants”	warrants to subscribe for New Ordinary Shares following the Capital Reorganisation;
“Warrant Conversion”	the issue of 22,478,800 New Ordinary Shares, conditional on Admission, in settlement of outstanding warrants in issue as at the date of this document, further details of which are set out in paragraph 14.2 of Part I of this document;
“Whitewash Proposals”	the Waiver, covering the issue of the Consideration Shares to the Vendors pursuant to the terms of the Acquisition along with those existing shares held by other members of the Concert Party; and
“Whitewash Resolution”	an ordinary resolution to approve the Waiver set out in the Notice.

Part I

LETTER FROM THE CHAIRMAN

Octagonal PLC

(Registered in England and Wales No. 06214926)

Proposed Directors:

Grant Roberts (*Proposed Non-Executive Chairman*)
John Gunn (*Proposed Chief Executive Officer*)
Nilesh Jagatia (*Proposed Finance Director*)
Martin Davison (*Proposed Non-Executive Director*)

Registered Office:

Suite 3B
38 Jermyn Street
London
SW1Y 6DN

Existing Directors:

Donald Strang (*Executive Chairman*)
Jason Berry (*Executive Director*)
David Lenigas (*Non-Executive Director*)

11 June 2015

To the holders of Existing Ordinary Shares and for information only to Warrantheolders

Dear Shareholder,

**Proposed Acquisition of Global Investment Strategy UK Limited
Waiver of the obligations under Rule 9 of the Takeover Code
Proposed Capital Reorganisation
Subscription of 85,000,000 new Ordinary Shares at the Subscription Price
Admission of the Enlarged Issued Share Capital to trading on AIM
and
Notice of General Meeting**

1 Introduction and background

Following the Company's announcement on 10 April 2014 that it had completed the acquisition of a 9.97 per cent. interest in Global Investment Strategy UK Limited ("Global Investment Strategy" or "GIS"), the Company today announces it has entered into conditional agreements to acquire the issued share capital of Global Investment Strategy that it does not currently own. Should the Acquisition complete, the Enlarged Group will become a financial services company, which provides settlement and safe custody services to smaller institutional funds, family wealth offices and high net worth investors along with other ancillary services.

The Company is currently an investing company (as defined by the AIM Rules) whose investing policy is to invest in and/or acquire companies and/or projects within the financial services sector with potential for growth and/or if the Board considers there is an opportunity to generate an attractive return for Shareholders.

The Acquisition, which is in line with the Company's investing policy will, however, result in a fundamental change in the business of the Company and will constitute a reverse takeover under the AIM Rules. As a consequence, the Directors are seeking Shareholder approval for the Acquisition at the General Meeting, notice of which is set out at the end of this document. Irrevocable undertakings to vote in favour of the Resolutions to be proposed at the General Meeting have been obtained from a number of Shareholders, details of which are set out in paragraph 16 of this Part I.

The Company has also raised £1,700,000 (before expenses) by means of the Subscription which will be used to part fund the Acquisition and for general working capital requirements. Further details of the Subscription are set out in paragraph 11 of this Part I.

Following the implementation of the Proposals, which are conditional, *inter alia*, on the approval of Independent Shareholders voting on a poll at the General Meeting of the waiver of any obligations of the Concert Party to make a general offer to shareholders pursuant to Rule 9 of the Takeover Code, certain Shareholders of the Enlarged Group who are deemed

to be acting in concert will hold 345,336,133 New Ordinary Shares, representing 61.64 per cent. of the Enlarged Issued Share Capital pursuant to the terms of the Acquisition. This Concert Party comprises the Vendors, being John Gunn, Suki Gunn and Corstone LLP as well as David Lenigas and Nilesh Jagatia.

Under Rule 9 of the Takeover Code, the Concert Party would normally be obliged to make a general offer to all Shareholders (other than the Concert Party) to acquire their New Ordinary Shares. The Panel has agreed to waive this obligation of the Concert Party to make a general offer that would otherwise arise as a result of its resultant shareholding in the Company, subject to the approval of the Independent Shareholders (on a poll) at the General Meeting. Your attention is drawn to the Rule 9 Waiver section contained in paragraph 10 of this Part I.

The purpose of this document is to provide Shareholders with further information regarding the matters described above and to seek your approval of the Resolutions, at the General Meeting. The notice of General Meeting is set out at the end of this document. The Proposals are conditional, *inter alia*, on the passing of the Resolutions, FCA Approval (granted on 20 May 2015) and Admission occurring. If the Resolutions are approved by the Shareholders, it is expected that Admission will become effective and dealings in the Consideration Shares and the Subscription Shares will commence on or about 30 June 2015. The General Meeting of the Company has been convened for 10.00 a.m. on 29 June 2015 at 200 Strand, London WC2R 1DJ at which the Resolutions will be proposed.

You should read the whole of this document and not just rely on the information in this letter. In particular, you should consider carefully the "Risk Factors" set out in Part III of this document. Your attention is also drawn to the information set out in Parts II, IV to VII of this document.

2 Information on Global Investment Strategy

2.1 History and background

Incorporated in 2002, Global Investment Strategy is a financial services business offering a wide range of services to institutional, family office and high net worth clients. Its main business activities, accounting for approximately 80 per cent. of its 2014 turnover, focus on providing global settlement and safe custody services for institutional clients, family wealth offices and high net worth individuals which it has been offering in its current form since 2011. Global Investment Strategy also offers a range of stockbroking services, including execution-only trading, discretionary fund management, direct market access online trading, equity capital markets, corporate finance and corporate broking. GIS's global settlement and safe custody clearing business alone currently transacts for over 600 clients, including global hedge funds and family wealth offices. GIS manages on average over 6,000 transactions per month with quarterly settlement values exceeding £2 billion on behalf of global institutional accounts.

GIS is authorised to offer a broad scope of settlement, custody, banking, broking and advisory services to professional, retail, corporate and eligible counterparty clients and has over 100 counterparty relationships, including most of the major local and international investments banks transacting in the UK. In addition to its core business of global settlement and custodial services, GIS has an investment management division, managing funds for both domestic and overseas clients on a discretionary basis.

Global Investment Strategy is a London Stock Exchange member firm, is authorised and regulated by the Financial Conduct Authority and is entered in the Financial Services Register under number 437558 www.fsa.gov.uk/register. Its website address is www.gisuktd.com.

The directors of GIS are John William Gunn, Nilesh Jagatia and Samantha Esqulant.

2.2 Market Overview

Whilst settlement and safe custody services are provided on a large scale by global Investment Banks, there are relatively few competitors in the UK offering similar services to Global Investment Strategy, which is effectively a service provider to smaller institutions, family offices and high net worth clients. The Directors are aware of two companies that offer competitive services in the UK. Due to the Company's broader scope of regulatory

permissions and affiliations and its strong relationships with clients and service partners such as banks, settlement custodians and brokerages, the Directors believe that GIS has a competitive advantage over these firms.

The Directors do not believe that Global Investment Strategy's current client base or its ability to expand will be adversely affected by the competition and still see considerable opportunity to expand its business both organically and through possible acquisition.

2.3 Business Model

Global Investment Strategy principally acts as an intermediary entity between certain large counterparty banks (with which it has established relationships) and its own clients. Its primary business is settlement and safe custody, although it has ancillary businesses which utilise its expansive FCA permissions where profitable or commercially attractive. One of GIS's overall aims is to transact business generally by acting as an intermediary (in such a way as to avoid balance sheet risk to the greatest extent possible). All of GIS's clients are institutional clients, professionals or high net worth self-certified investors, with the vast majority being professional investors, although it retains authorisation to act for retail clients on a discretionary or execution only basis.

The Directors believe that there are several key benefits for its clients in using Global Investment Strategy's services: the principal benefit is the ability for a client to use GIS's services to benefit from better dealing and settlement arrangements with large financial counterparty institutions which is gained from pooling a number of clients (who individually may not be big enough to settle directly through such institutions) and trading through GIS's relationship, and the provision of an outsourced settlement and custody business for smaller institutions and family offices to save them fixed overhead costs; for institutional clients it allows them to maintain a central point register of their positions; and for clients involved in the trading of financial products it allows them to deal with multiple brokers at the same time whilst maintaining confidentiality between these brokers.

Global Investment Strategy has chosen to build strong relationships with both its clients and counterparty banks and the Directors believe these relationships are vital to its long term success, even at the expense of growth. GIS has nonetheless grown rapidly since 2011 when it started operating in its current form, principally by expansion of its client base into overseas markets (with a particular focus on the American, European and Asian markets), where the majority of its clients are now located (both by number and size of transactions).

Whilst GIS's business is not unique, it aims to provide a low risk, low cost services where sales growth is down to the number of transactions undertaken by clients and to growth in the client base.

(a) Settlement Services

Global Investment Strategy provides a settlement capability to its clients through its relationships with certain major international banks and custody agents. GIS is required to deposit with the banks a security deposit to enable it to have settlement capability with its banks. GIS in turn funds this from the pool of money received from its clients, who are typically required to enter into non-client money segregation agreements in respect of the funds deposited. GIS also holds the underlying securities owned by its clients which further reduces risks to GIS of a trade not completing or a client not paying.

GIS's clients typically execute security purchases and sales through their own bank or broker (and they may each have a number of such relationships), and report the trades to GIS through a 'trade file'. This in turn is analysed by GIS from a risk management perspective, and also to ensure that trade details are correct. GIS then files the complete 'trade file' to the bank.

GIS principally operates on a 'back to back' basis, and on a 'received vs payment, delivery vs payment' basis (i.e. where stock is not released until the cash to pay for it has been received, and vice versa, thereby vastly reducing risk of non-payment or non-delivery for GIS), but puts together bespoke packages for each client. The fees payable for its services are deducted from the amounts held by it for its clients and as such there is no bad debt. Should there be, in the view of GIS, insufficient funds held to cover anticipated fees, services are suspended and clients are required to deposit further funds with GIS prior to the resumption of trading.

Global Investment Strategy builds safeguards into its business by ensuring all of its counterparties have been pre-approved by its clearing banks and by scrutinising trade files to check that they balance and that the client has sufficient funds on its account. The vast majority of trades are processed automatically, with others, GIS may contact the bank in question. GIS has, in the opinion of the Directors and Proposed Directors, suitable risk mitigation and does not have to settle any trade which does not fit within its risk model.

GIS charges its clients a fixed fee per transaction. Traditionally brokers charge a percentage on the value of each trade their clients undertake. The GIS business model is different in that the same fee is applied irrespective of the value of the transaction; thereby appealing to clients with high frequency daily trading patterns. It reconciles cash and stock movements daily and is able to charge ancillary fees based in stock lending, finance, custody of assets and amendments requested by the clients.

GIS has a number of relationships with clearing banks and brokers who act as agent for GIS and provide custody and settlements services to GIS for a fixed fee per transaction. These agents will invoice GIS monthly for their services and will deduct their fees from pooled clients' monies that GIS hold, on behalf of its clients, with these agents. GIS will likewise deduct the fees that it charges its clients on a monthly basis. These funds are deducted from the clients' retained cash balances. Given that clients must maintain positive cash balances and that the GIS business model and terms of business do not provide for guaranteed services, there are no requirements to operate a billing system.

GIS seeks to offer clients a dependable, low cost service for settling trades at a fixed cost per trade; it believes this high quality level of service and simplified charging structure will enable the Company to expand its business in this sector.

Settlement services accounted for approximately 80 per cent. of GIS's turnover in the year ended 31 March 2014.

(b) Custody Services

Global Investment Strategy acts as a custodian for stocks and securities. GIS typically charges for this service on a quarterly basis in arrears, such fees are based on the value of the assets held. GIS is in turn charged a fee from its agents and so would typically charge its client a margin over cost.

(c) Finance

Global Investment Strategy will occasionally offer finance to clients. This primarily arises where settlement of a transaction has not occurred and an amendment is required. Where there is an overnight shortfall in the client's account, GIS will lend the client the money available to it through existing financing facilities. GIS typically charges a margin over cost for such short term lending (i.e. only overnight until the trade can be corrected and settled). Risk is mitigated to a large extent by GIS holding the underlying security the subject of the loan.

(d) Asset Management and Investment Advisory Services

Global Investment Strategy has developed an asset management business on behalf of discretionary clients. A team of three people manage this arm of the GIS business, with oversight from the Chief Executive Officer of GIS. The focus of the fund management division is to achieve an absolute return by trading index options with a hedged risk strategy. GIS hold the clients' cash and assets in relation to this activity in segregated trust status accounts.

Additionally, GIS has been appointed as investment adviser over a number of funds which operate with a similar strategy. As investment adviser it does have a discretionary mandate (which resides with the manager) but rather provides investment advice to the manager whilst also offering it settlement and custody services. Although still in its infancy, the intention is to build up the level of Assets Under Advisory Management ("AUM") to around US\$500 million.

Global Investment Strategy charges its asset management clients a fixed fee per transaction, which is similar to its other settlement activities. The fees that are charged by GIS are at a margin over charges that are levied by the banks and agents it trades with. For the investment management business, GIS invoices its client for its advice and again it charges on the number of transactions the client undertakes. GIS does not currently charge a management fee based on AUM.

Global Investment Strategy believe that the business model is robust in that its revenues will increase as the funds managed increase in size and the quantity of trades increases. This is an incentive for new clients who may be attracted to use GIS in their infancy to avoid large entry fee costs if they were to establish direct relationships with similar agents or banks to those with whom GIS are contracted.

Global Investment Strategy is currently in the process of applying for AIFMD accreditation, which the Directors believe will broaden the potential scope of their investment management activities, primarily in respect of fund management, but which they are advised is not required for their present operations.

(e) Appointed Representatives

Global Investment Strategy also acts as a principal firm supervising several appointed representatives. This service allows the appointed representative to operate in a limited capacity within the regulatory framework of the FCA.

Global Investment Strategy currently provides this service for one entity, however this is intended to increase to three entities during the current financial year. GIS charges a fixed fee which is settled either through on-going use of the firm's custody and settlement services or by paying an enhanced transaction fee.

Whilst Global Investment Strategy acknowledges the risk associated with an appointed representative service offering, this is mitigated by GIS's procedures, according to which appointed representatives are monitored by one of GIS's employees and all commercial transactions are carried out by GIS on behalf of the appointed representative. In addition, all clients of appointed representatives are subject to GIS's "know your client" take-on procedures.

(f) Corporate Finance and Broking

Global Investment Strategy is able to act as broker to AIM companies and it also undertakes limited fundraising for corporate clients who are typically listed on AIM. GIS has seen continued growth in this area, even though it only contributes marginally to revenue. GIS can act as agent and represent the company when it is seeking to raise money. The company can deposit shares with GIS that it can then place/sell to its client or other regulated financial institutions. GIS will charge a fixed fee for this service and can also receive commission for the placing of shares.

(g) Investments

Global Investment Strategy also holds a limited portfolio of public and private investments. These are largely legacy investments and the Group's strategy is gradually to divest these when sale opportunities arise. As at 10 June 2015 the portfolio was as follows:

Investment	Date investment made	Carrying value as at 30 September 2014	Carrying value as at 10 June 2015, being last practical date before the publication of this document	Further details
Inspirit Energy Holdings plc	2009	£817,000	£359,570	Part I, paragraph 2.4
Argentina Farming Loan	2010	US\$215,000	US\$215,000	Part VII, paragraph 11.12
City Golf Clubs Limited	2015	£224,000	£240,000	Part VII, paragraph 11.11

2.4 Historic Financial Information on Global Investment Strategy

Set out below are extracts from the comprehensive income statement and statement of financial position for the period from 31 March 2012 to 30 September 2014 relating to Global Investment Strategy, as derived without adjustment from the Accountant's Report set out in Part V of this Document.

Period ended	6 months ended 30 September 2014	12 months ended 31 March 2014	12 months ended 31 March 2013	12 months ended 31 March 2012
Revenue	£1,523,000	£2,551,000	£1,435,000	£393,000
Profit after Tax	£260,000	£419,000	£571,000	£(608,000)
Net Assets	£2,533,000	£1,937,000	£1,518,000	£947,000

Shareholders should note Global Investment Strategy's holding of 54,481,404 ordinary shares in Inspirit Energy Holdings plc ("Inspirit") valued at £817,000 on 30 September 2014 has decreased in value since that date. Inspirit is an AIM traded company and as at 31 March 2015 the value of this holding was £351,405 based on a closing mid-market price of 0.66p. Accordingly, it is anticipated that in the Global Investment Strategy accounts for the year ended 31 March 2015, the Company will record a write down of £465,595 in respect of its holding in Inspirit.

2.5 Client Base

Approximately 10 per cent. of GIS's clients are based in the UK, with remainder spread across the Americas, Europe and Asia and comprise mainly family offices, high net worth individuals and institutions. GIS does neither any marketing nor any financial promotions in these territories, where the Directors believe all new clients are the result of referrals from existing clients. GIS is compliant with the Foreign Account Tax Compliance Act and has now been granted Qualifying Intermediary status by the US Inland Revenue Services. This will authorise GIS to report to the US Inland Revenue Service on behalf of its US clients. This is an advantage that GIS believes it has over its competitors and is part of the company's on-going policy of being compliant with the regulatory practices where its customers are located.

2.6 Operations

The business operates from rented offices in London Wall, in the City of London, and currently has fourteen people working within it, either as employees or as consultants. Eight people work within settlements and relationship management, one in treasury/finance and two in senior management with a further two consultants and one employee having responsibility for the asset management business as set out in paragraph 2.3(f) above.

2.7 IT Systems

Global Investment Strategy currently uses an IT system called Flagship, under a licence provided through 3i Infotech (UK) Limited. "Flagship" is a client-facing website that allows GIS to manage its international and safe custody services. "Flagship" is an industry-standard system used by the majority of GIS's clients. As part of this package, 3i Infotech provide an interface between GIS and the agent banks it partners with. GIS also relies on the settlement systems provided by its agent banks to effect its services. Global Investment Strategy is currently trialling "Altimis", a successor, cloud-based system provided by 3i Infotech; only when Global Investment Strategy is completely comfortable that this is operating currently will it migrate across to Altimis. Both "Altimis" and "Flagship" are widely used IT systems in the global settlements and safe custody markets. Additionally, GIS uses trading platforms offered by Realtick and Bloomberg, who are both globally recognised.

3 Principal Terms of the Acquisition

On 11 June 2015, the Company entered into the Acquisition Agreements, pursuant to which it has conditionally agreed to acquire the entire issued share capital of Global Investment Strategy (not already owned by the Company) for a purchase price comprising:

- £1.5 million in cash; and
- the issue of 336,136,132 Consideration Shares at a price of 2p per share.

The purchase price is payable in full on Admission and is payable to the Vendors in proportion to their respective holdings in Global Investment Strategy. The Acquisition Agreements contain warranties from each of the Vendors confirming unencumbered title to the shares in GIS held by them and from John Gunn in relation to the business, assets and operations of Global Investment Strategy.

The Acquisition Agreement relating to John Gunn includes an additional clause whereby John Gunn agrees to use part of the cash consideration receivable by him in connection with the Acquisition to repay a total amount of £732,000 owed by him to the Company.

The Acquisition is conditional upon, *inter alia*,:

- the passing of the Resolutions at the General Meeting;
- FCA Approval; and
- Admission.

The Company confirms that GIS received the FCA Approval on 20 May 2015.

Further details of the Acquisition Agreements are set out in paragraph 11.1 of Part VII of this document.

4 Current Trading, Strategy and Prospects of the Enlarged Group

The Company is currently an investing company (as defined by the AIM Rules) with two investments including its 9.97 per cent. interest in Global Investment Strategy. As at 30 September 2014, it had a cash balance of £92,000.

On 15 April 2015, Octagonal announced the following trading update on GIS:

“Octagonal Plc (AIM: OCT), the investment company whose principal investment is a 9.97 per cent. equity holding in global custody and clearing company, Global Investment Strategy UK Ltd (“GIS”), announces strong operational performance and growth for GIS for the quarter ended 31 March 2015.

Quarter Trading Summary Update – GIS

* 55.9 per cent. increase in settlement values for the quarter, with settlement values exceeding US\$6.3 billion (approximately £4.3 billion at 1.462 exchange rate of 14/04/15), up from the US\$4.1 billion (approximately £2.8 billion) for the same period last year.

* 32.7 per cent. increase in total settled transactions for the quarter, with total transactions exceeding 23,000, up from the 17,664 settlements for the same period last year.”

Following Admission, the Company will focus on the organic development of its existing settlements and safe custody business, improving relationships with both clients and counterparties and seeking new client relationships. The Directors believe that they have reached a point where the business is scalable and provides a suitable platform from which to expand the number of clients and the number of services offered, without the need for significant new capital. Improvements have been made in operating systems, reporting capabilities and automation. In addition, the Company will seek to utilise its various FCA permissions to grow revenue; for instance, it is targeting the growth of the Assets under Advisory Management from AUM as at 31 March 2015 of approximately \$20million to around \$500million.

It is the intention of the Directors to pay dividends, however, the ability of the Company to do so is dependent on a number of factors and there is no guarantee that the Company will pay a dividend, or, if a dividend is paid, what the amount of such dividend will be.

In addition to the above, the Directors intend to continue to identify and evaluate other possible opportunities for the acquisition of complementary businesses.

The Directors wish to seek Admission of the Enlarged Group in order to provide acquisition capital, incentivisation for staff when appropriate and to enhance the profile of the Global Investment Strategy business with new potential clients.

As far as the Directors are aware, there have been no known significant changes in the financial or trading position of the Company subsequent to 30 September 2014, the date to which the last published interim accounts were prepared.

5 Directors and Senior Management

On Admission, the Board will comprise the Proposed Directors and the Existing Directors will step down from the Board on Admission. Details of the Directors and Senior Management are set out below.

5.1 Board of the Company on Admission

Grant Michael Roberts (aged 44), Proposed Non-Executive Chairman

Mr Roberts is a founding partner of Newgate Private Equity LLP (Newgate), an FCA regulated investment and advisory business, operating in London and the UAE. Mr Roberts has over 18 years of experience in private equity both as an investor and advisor with Newgate, Richmond Park Partners and 3i plc. Mr. Roberts has considerable corporate and international expertise, broad experience spanning most industry sectors and undertaken transactions in the UK, Europe, USA, the Middle East, Asia and Australia. Mr Roberts holds a Bachelor of Commerce from Murdoch University and a Graduate Diploma of Applied Finance and Investment.

John William Gunn (aged 45), Proposed Chief Executive Officer

Mr Gunn is currently the Chief Executive Officer of Global Investment Strategy, having founded the business in 2002. With a career spanning over 25 years in the financial services industry, Mr Gunn began his career in 1987 at Hoare Govett and has since worked at Carr Sheppards Limited, Merchant Securities Limited and Williams de Broë plc, where he was a senior investment manager until 2002. From 2004, he has worked with renewable energy and clean tech businesses before becoming involved with Disenco in 2004. He is currently the CEO of AIM traded Inspirit Energy Holdings Plc. Mr Gunn is a director and the major shareholder of GIS.

Nilesh Kumar Jagatia (aged 46) Proposed Finance Director

Mr Jagatia currently serves as Finance Director of Inspirit Energy Holdings plc and also currently holds Finance Director positions with AIM traded Clear Leisure plc, Teathers Financial plc and Limitless Earth Plc. Mr Jagatia has been involved with several IPO's and was previously Group Finance Director of an AIM traded Online Media and Publishing Company for a period 5 years until July 2012. Mr Jagatia has over 20 years' experience, including senior financial roles in divisions of both Universal Music Group and Sanctuary Group plc. He served as a Finance Director for an independent record label that expanded into the US. Mr Jagatia is a qualified accountant and holds a degree in finance.

Martin David Davison (aged 52), Proposed Non- Executive Director

Mr Davison has held senior executive and management positions in three leading financial institutions based in London and is an experienced Wealth Manager and Private Banker serving the needs of Ultra High Net Worth Clients, Family Offices and Financial Institutions. From 2011 to 2014, he was Managing Director and head of the family office business for Oppenheimer & Co Inc. in Europe. From 2008 to 2011, he was Managing Director and Global Co-Head of Dealing and Sales Trading at Barclays Wealth and Investment Management. From 1993 to 2008, he was Managing Director and Co-Head of Private Wealth Management Europe at Lehman Brothers. Mr Davison has also held positions at Dean Witter, Merrill Lynch and Morgan Stanley and has over 30 years of financial market experience.

5.2 The full names and ages of the Existing Directors are as follows:

Donald Ian George Layman Strang (aged 46), *Executive Chairman*

Jason Berry (aged 45), *Executive Director*

David Anthony Lenigas (aged 54), *Non-Executive Director*

All of the above will resign as directors from Admission

5.3 Senior Management & Employees

Samantha Esquant – Risk Management Control

Ms Esquant has been in the financial services industry for over 16 years and has experience of working in both boutique and large corporate organisations including LCF Rothschilds and Barclays Capital. She was at Bank of New York Mellon for over 7 years working on a variety of matters including overseeing the settlements team and implementing controls within the department to decrease risk and exposure. Ms Esquant joined the team at Global Investment Strategy in April 2013 and supports for risk management and embedding control procedures. She is also a director of Global Investment Strategy.

John Allan – Head of Trading and Settlements

Mr Allan has over 15 years of experience in the trading and settlement arenas. Mr Allan joined GIS in September 2011 and has day to day responsibility for the Trading and Settlements department. Mr Allan also assists with the onboarding of new clients and ensuring that GIS keeps abreast of financial products of potential interest to our clientele.

The Company is in the process of recruiting a Financial Controller which it expects to appoint following Admission.

The Directors intend to develop the Company as set out in paragraph 4 of this Part I.

6 Capital Reorganisation

As part of the Proposals, the Company is proposing to undertake a capital reorganisation of its issued Existing Ordinary Shares as shown on the Register of Members at 6.00pm on 25 June 2015. This will be achieved by undertaking a 1 for 11 share consolidation whereby the Existing Ordinary Shares become 0.55p new ordinary shares. These 0.55p new ordinary shares are then sub-divided and reclassified into one New Ordinary Share of 0.05p and one Deferred Share of 0.50p each.

The rights attaching to the Deferred Shares are set out in paragraph 4.21 to 4.25 of Part VII of this document.

In addition, following the Capital Reorganisation, the exercise price of all Existing Warrants will increase by a factor of 11. Further details are provided in paragraph 14 of this Part I of the document.

7 Admission to AIM and Dealings

Application will be made to the London Stock Exchange for the Enlarged Issued Share Capital to be admitted to trading on AIM, Subject to the passing of the Resolutions and FCA Approval. It is expected that Admission will take place, and dealings in the issued Ordinary Shares on AIM will commence, on 30 June 2015.

CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by a written instrument in accordance with the CREST Regulations. The Articles permit the holding and transfer of Ordinary Shares to be evidenced in uncertificated form in accordance with the CREST Regulations. The Existing Shares can already be transferred by means of the CREST system and it is expected that the New Ordinary Shares will also be transferable by means of the CREST system.

8 Lock-in and orderly market arrangements

In compliance with the AIM Rules, the Directors, and the Vendors (with the exception of Corstone LLP and Suki Gunn) have agreed not to, and to procure that their related parties will not, dispose of any interests in New Ordinary Shares held by them amounting to 303,308,063 New Ordinary Shares (being 54.14 per cent. of the Company's Enlarged Issued Share Capital on Admission), as defined in the AIM Rules, for 12 months following Admission. For the following 12 month period, the Directors, and the Vendors (with the exception of Corstone LLP and Suki Gunn) have agreed not to, and to procure that their related parties will not, dispose of any interest in Ordinary Shares held by them unless such disposals are effected through the Company's broker so as to ensure an orderly market in the New Ordinary Shares.

In addition, Corstone LLP and Suki Gunn have agreed not to, and to procure that their related parties will not, dispose of any interest in Ordinary Shares amounting to 42,341,201 New Ordinary Shares (being 7.56 per cent. of the Company's Enlarged Issued Share Capital on Admission) held by them unless such disposals are effected through the Company's broker so as to ensure an orderly market in the New Ordinary Shares for a period of 12 months following Admission.

The restrictions on the disposal of Ordinary Shares contained in the Lock-In Deed do not apply in certain circumstances. Further details of the Lock-In Deed can be found in paragraph 11.6 of Part VII of this document.

9 Relationship Agreement

John Gunn has agreed to exercise his votes as a Shareholder and to procure the same in respect of any Connected Person in accordance with certain restrictions set out in the Relationship Agreement entered into between the Company, Northland Capital Partners, BCL and John Gunn. The restrictions seek to ensure that the Enlarged Group is capable of carrying on its business and making decisions independently and in the best interests of the Enlarged Group and that any transactions between any member of the Enlarged Group and the Controlling Shareholder or any Connected Person are made on an arm's length basis.

The agreement shall terminate on John Gunn and any "associate" ceasing to hold New Ordinary Shares or instruments capable of converting into New Ordinary Shares conferring in aggregate 20 per cent. or more of the rights to vote at general meetings of the Company.

10 Takeover Code and Whitewash Resolution

The issue by the Company of the Consideration Shares to the Vendors pursuant to the Acquisition along with the New Ordinary Shares issued pursuant to the conversion of warrants and options by David Lenigas and the New Ordinary Shares issued pursuant to David Lenigas' participation in the Subscription gives rise to certain considerations under the Takeover Code. Brief details of the Panel, the Takeover Code and the protections they afford to Shareholders are described below.

The Takeover Code is issued and administered by the Panel. The Takeover Code applies to all takeover and merger transactions, however effected, where the offeree company is, *inter alia*, a listed or unlisted public company with its place of central management in the United Kingdom. The Company is such a company and Shareholders are entitled to the protections afforded by the Takeover Code and its provisions.

Under Rule 9 of the Takeover Code, any person or group of persons acting in concert who acquires an interest (as defined in the Takeover Code) in shares which, taken together with shares in which he and persons acting in concert with him are already interested, carry 30 per cent. or more of the voting rights in a company which is subject to the Takeover Code is normally required to make a general offer to all the remaining shareholders to acquire their shares. Similarly, when any person, together with persons acting in concert with him, is interested in shares which, in aggregate, carry not less than 30 per cent. of the voting rights of a company but does not hold shares carrying more than 50 per cent. of such voting rights, a general offer will normally be required if any further interests in shares are acquired by any such person, or any person acting in concert with him, which increases the percentage of shares carrying voting rights in which he is interested. An offer under Rule 9 must be made in cash (or with a full cash alternative) at a price not less than the highest 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.

Maximum potential controlling position

As at the date of this document, the only member of the Concert Party to own shares in the Company is David Lenigas. He owns 35,300,000 Existing Ordinary Shares, representing 2.96 per cent. of the Existing Ordinary Shares and holds warrants and options to subscribe for a further 35,300,000 Existing Ordinary Shares, which he has agreed to convert into 2,740,910 New Ordinary Shares, conditional on Admission, as part of the Option Conversion and Warrant Conversion. Should Admission not occur, David Lenigas would hold interests representing up to 5.75 per cent. of the Existing Issued Share Capital. In addition, David Lenigas has agreed to subscribe for 3,250,000 New Ordinary Shares under the Subscription.

As set out in Table 1 below, following the Capital Reorganisation and pursuant to the Acquisition, the Vendors are due to receive 336,136,132 Consideration Shares. Therefore, immediately following Admission, the Concert Party will own a total of 345,336,133 New Ordinary Shares which will represent 61.64 per cent. of the Enlarged Issued Share Capital of the Company.

Table 1: Interests of the Concert Party on Completion of the Proposals

Concert Party member	As at the date of this document			On Admission	
	Number of Existing Ordinary Shares	per cent. of the Existing Issued Share Capital	Number of Options / Warrants to subscribe for Existing Ordinary Shares	Number of New Ordinary Shares	per cent. of the Enlarged Issued Share Capital
John Gunn	—	—	—	293,794,931	52.44%
Suki Gunn	—	—	—	5,165,945	0.92%
Corstone Capital Partners LLC	—	—	—	37,175,256	6.64%
David Lenigas*	35,300,000	2.96%	35,300,000	9,200,001*	1.64%
Nilesh Jagatia	—	—	—	—	—
Total	35,300,000	2.96%	35,300,000	345,336,133	61.64%

* The number of New Ordinary Shares held by David Lenigas on Admission includes 2,740,910 New Ordinary Shares to be issued pursuant to the Option Conversion and Warrant Conversion, conditional on Admission, further details of which are set out in paragraph 14.2 of Part I of this document, and 3,250,000 New Ordinary Shares to be issued to David Lenigas pursuant to the Subscription.

Details of the Concert Party are set out in Part II of this document.

The Panel has agreed, however, to waive the obligation to make a general offer that would otherwise be required as a result of the allotment and issue of the Consideration Shares to the Vendors. Accordingly, the Whitewash Resolution seeks to waive the requirement under Rule 9 of the Takeover Code that the Concert Party having acquired a shareholding and percentage of voting rights exceeding 30 per cent., must make a general cash offer to all the remaining Shareholders to acquire their shares. In accordance with the Takeover Code, the Whitewash Resolution is being proposed at the General Meeting and will be taken on a poll. David Lenigas will not be entitled to vote on the Whitewash Resolution. To be passed, the Whitewash Resolution will require a simple majority of votes entitled to be cast to vote in favour.

On Admission, the Concert Party will have an interest in shares carrying approximately 61.64 per cent. of the voting rights of the Company and John Gunn, a member of the Concert Party, will have acquired interests in shares carrying approximately 52.44 per cent. of the voting rights of the Company. Without a waiver of the obligations under Rule 9, the Concert Party would be obliged to make a general offer to Shareholders under Rule 9.

Shareholders should note that, following the completion of the Acquisition, both the Concert Party collectively and John Gunn individually will hold over 50 per cent. of the voting rights of the Company and will, in respect of the Concert Party for so long as they remain treated as acting in concert, and John Gunn individually, therefore be entitled to increase their interests in the voting rights of the Company without incurring a further obligation under Rule 9 of the Code to make a general offer. Shareholders should also note that individual members of the Concert Party will not be able to increase their percentage interests in shares through or between a Rule 9 threshold without the Panel's consent.

11 Corporate governance

The Directors recognise the importance of sound corporate governance. The Company intends to continue, following Admission, so far as is practicable for a company of its size, to follow the QCA Corporate Governance Guidelines for AIM companies.

The New Board will meet regularly and is responsible for formulating, reviewing and approving the Group's strategy, budgets, performance, major capital expenditure and corporate actions. On Admission the Company will have in place an audit committee and a remuneration committee with formally delegated rules and responsibilities.

11.1 *Audit Committee*

The Audit Committee will have the primary responsibility of monitoring the quality of internal controls and ensuring that the financial performance of the Group is properly measured and reported on. It will receive and review reports from the Group's management and external auditors relating to the interim and annual accounts and the accounting and internal control systems in use throughout the Group. The Audit Committee will meet not less than twice in each financial year and will have unrestricted access to the Group's external auditors. At Admission, the Audit Committee will comprise Grant Roberts and Martin Davison, who will chair the committee.

11.2 *Remuneration Committee*

The Remuneration Committee will review the performance of the executive directors and make recommendations to the Board on matters relating to their remuneration and terms of service. The Remuneration Committee will also make recommendations to the Board on proposals for the granting of share options and other equity incentives pursuant to any employee share option scheme or equity incentive plans in operation from time to time. The Remuneration Committee will meet as and when necessary. In exercising this role, the directors shall have regard to the recommendations put forward in the QCA Guidelines and, where appropriate, the UK Corporate Governance Code guidelines. On Admission, the Remuneration Committee will comprise Grant Roberts and Martin Davison, who will chair the committee.

11.3 *Share Dealing Code*

The New Board intends to comply, and to procure compliance, with Rule 21 of the AIM Rules relating to dealings in the Company's securities by the directors and other applicable employees. To this end, the Company has adopted a code for directors' dealings appropriate for a company whose shares are admitted to trading on AIM and will take all reasonable steps to ensure compliance by the directors and any relevant employees. The form of this code is substantially the same as the model code contained in the rules of the Official List.

12 **Details of the Subscription and use of proceeds**

The Company has conditionally raised £1,700,000 gross pursuant to the terms of the Subscription by the issue of the Subscription Shares at 2p per Subscription Share.

The Subscription Shares will rank *pari passu* in all respects with the New Ordinary Shares including the right to receive all dividends and other distributions declared, paid or made after the date of issue. The Subscription, which is not underwritten or guaranteed, is conditional, *inter alia*, upon the Acquisition completing and Admission becoming effective.

The net proceeds from the Subscription will be used to part fund the Acquisition and for the general working capital requirements of the Enlarged Group following Admission.

As part of the Subscription, David Lenigas, a Director, has agreed to subscribe for 3,250,000 New Ordinary Shares on the same terms. As a result of this, and his agreement to convert his existing warrants and options into New Ordinary Shares, conditional on Admission, David Lenigas' holding on Admission when aggregated with his existing shareholding will be 9,200,001 New Ordinary Shares representing 1.64 per cent. of the Company's share capital on Admission.

13 **Dividend Policy**

The Board intends to adopt a progressive dividend policy.

Assuming that sufficient distributable reserves are available at the time, the Board intends to target the declaration of an annual dividend of approximately 50 per cent. of the Group's free cash- defined as the net cash generated from operations after the payment of all corporate, operational and acquisition costs.

The Company may revise its dividend policy from time to time.

14 Share options and warrants

14.1 As at the date of this document, the Company has outstanding warrants to subscribe for an aggregate of 3,666,666 Existing Ordinary Shares. Immediately following the Capital Reorganisation and assuming the Resolutions are passed, there will be outstanding warrants and options to subscribe for an aggregate of 333,333 New Ordinary Shares assuming no Existing Warrants or Existing Options are exercised following the date of this document.

14.2 Investors should note that the Company has agreed the following exercise of various options and warrants, conditional on Admission:

14.2.1 Exercise of Existing 0.1p Warrants

The holders of the Existing 0.1p Warrants have each exercised those warrants on the terms of a notice of exercise conditional only upon Admission occurring. The total number of Existing 0.1p Warrants exercised subject to Admission is 4,272,730 warrants at 1.1p per warrant on the basis that the Capital Reorganisation has been effected. The notice of exercise of the Existing 0.1p Warrants dated 29 May 2015 provides that the exercise price for those warrants, amounting in aggregate to £47,000, is payable on Admission by the holders and that where holders have elected to receive their New Ordinary Shares in CREST that the respective CREST accounts will be credited on 19 June or where they have elected to receive their New Ordinary Shares in certificated form that such certificates will be despatched within fourteen days of Admission. In the event that Admission has not occurred by 31 July 2015 then the notice of exercise provides that it automatically lapses and is of no further force and effect. Following Admission there will be no Existing 0.1p Warrants outstanding and capable of exercise.

David Lenigas, an Existing Director and a member of the Concert Party, holds 2,272,728 Existing 0.1p Warrants, on the basis that the Capital Reorganisation has been effected, and has executed a notice of exercise to convert those warrants into New Ordinary Shares on the same terms as the other holders of Existing 0.1p Warrants as set out above. Subject to Admission occurring and in consideration for the payment of the exercise price for his Existing 0.1p Warrants in an amount of £25,000 he will be issued 2,272,728 New Ordinary Shares representing 0.41 per cent. of the Enlarged Issued Share Capital of the Company on Admission and following the Capital Reorganisation.

14.2.2 Cancellation of Existing Options

The holders of the Existing Options have agreed, on the terms of individual agreements dated on or about 29 May 2015 and entered into by each holder of an Existing Option and the Company, that conditional only upon Admission occurring they have agreed to the cancellation of their Existing Options in consideration for the issue to them of an aggregate amount of 5,848,485 New Ordinary Shares being a ratio of 1 New Ordinary Share issued for every 16.5 Existing Options cancelled. The total number of Existing Options cancelled under these agreements is 96,500,001 (being 8,772,730 options on the basis that the Capital Reorganisation has been effected).

The terms of the agreements entered into between the holders of the Existing Options and the Company provide for the cancellation of the Existing Options in consideration for an issue of New Ordinary Shares in the ratios as set out above and further provide that: with effect from Admission the Existing Options are terminated and rendered null and void and that all past, current or future obligations of either the Company or the holders of Existing Options are extinguished in full and final settlement. The holders of Existing Options give certain warranties to the Company as to title, ownership, authority and confirmation of no encumbrances as regards the Existing Options.

Donald Strang, an Existing Director, holds 469,697 Existing Options, on the basis that the Capital Reorganisation has been effected, and he has agreed to cancel those options in consideration for an issue of New Shares on the same terms as the other holders of Existing Options as set out above. Subject to Admission occurring and in

consideration of the cancellation of his 469,697 Existing Options he will be issued 313,131 New Ordinary Shares representing 0.06 per cent. of the Enlarged Issued Share Capital of the Company on Admission and following the Capital Reorganisation.

14.2.3 Cancellation of Existing Warrants

The holders of the Existing Warrants have agreed, on the terms of individual agreements dated on or about 29 May 2015 and entered into by each holder of an Existing Warrant and the Company, that conditional only upon Admission occurring they have agreed to the cancellation of their Existing Warrants in consideration for the issue to them of an aggregate amount of 18,206,069 New Ordinary Shares being a ratio of 1 New Ordinary Share issued for every 22 Existing Warrants cancelled. The total number of Existing Warrants cancelled under these agreements is 401,200,001 (being 36,472,727 warrants on the basis that the Capital Reorganisation has been effected).

The terms of the agreements entered into between the holders of the Existing Warrants and the Company provide for the cancellation of the Existing Warrants in consideration for an issue of New Ordinary Shares in the ratio as set out above and further provide that: with effect from Admission the Existing Warrants are terminated and rendered null and void and that all past, current or future obligations of either the Company or the holder of Existing Warrants are extinguished in full and final settlement and the holders of Existing Warrants give certain warranties to the Company as to title, ownership, authority and confirmation of no encumbrances as regards the Existing Warrants.

David Lenigas, an Existing Director and a member of the Concert Party, holds 936,364 Existing Warrants, on the basis that the Capital Reorganisation has been effected, and he has agreed to cancel those warrants in consideration for an issue of New Shares on the same terms as the other holders of Existing Options as set out above. Subject to Admission occurring and in consideration of the cancellation of his 936,364 Existing Warrants he will be issued 468,182 New Ordinary Shares representing 0.08 per cent. of the Enlarged Issued Share Capital of the Company on Admission and following the Capital Reorganisation.

The conversion ratio in respect of this conversion of Options and Warrants as detailed in paragraphs 14.2.2 and 14.2.3, is based on a Black-Scholes valuation of the existing warrants and options.

- 14.3 Subject to the passing of the Resolutions and Admission occurring, the Company intends to adopt a share option plan to grant options to subscribe for New Ordinary Shares from time to time to incentivise directors, employees and consultants at the discretion of the New Board. Options granted to subscribe for New Ordinary Shares in this manner will not exceed 10 per cent. of the Company's issued share capital from time to time without the prior approval of the Shareholders.
- 14.4 The Company also intends to adopt an incentive plan under which it may award New Ordinary Shares for no cost to Directors, employees and consultants. New Ordinary Shares under this plan will not exceed 10 per cent. of the Company's issued share capital from time to time without the prior approval of the Shareholders.

15 Taxation

Your attention is drawn to the taxation section contained in paragraph 8 of Part VII of this document. These details are, however, intended only as a general guide to the current tax position under UK taxation law. If you are in any doubt as to your tax position, or are subject to tax in jurisdictions other than the UK you are strongly advised to consult your own independent financial adviser immediately.

16 Risk Factors & further information

Your attention is drawn to the Risk Factors set out in Part III and to the section entitled "Forward Looking Statements" on page 2 of this document. Prospective investors should, in addition to all other information set out in this document, carefully consider the risks described in those sections before making a decision of whether to invest in the Company

Your attention is drawn to Parts II to VII to this document which provides additional information on the Company and the matters described in this Part I.

17 General Meeting

There is a notice convening the General Meeting on pages 105 to 108 of this document, which is to be held at 200 Strand, London WC2R 1DJ at 10.00 a.m. on 29 June 2015, at which the Resolutions will be proposed to approve:

Ordinary Resolutions

1. the Capital Reorganisation;
2. the Acquisition;
3. the Whitewash Resolution (to be taken on a poll);
4. authority for the Directors to allot the Consideration Shares, the Subscription Shares (including the New Ordinary Shares to be issued to a Director), the shares to be issued in respect of the Warrant Conversion and the Option Conversion, the BCL Shares and New Ordinary Shares up to the nominal amount of £100,000 by way of general authority for additional headroom for the Company;

Special Resolution

5. authority for the Directors to disapply statutory pre-emption rights to allot New Ordinary Shares pursuant to the authority conferred by Resolution 4 (save for the authority to allot the Consideration Shares as they are not being allotted for cash); and

To be passed, the Resolutions (other than the Whitewash Resolution) proposed to be passed as ordinary resolutions will require a simple majority, and the Resolutions proposed to be passed as special resolutions will require a majority of not less than 75 per cent. voting in person or on a poll by proxy in favour of the relevant Resolution.

18 Action to be taken

Enclosed with this document you will find a form of proxy for use by Shareholders in connection with the General Meeting. Whether or not you intend to be present at the General Meeting, Shareholders are asked to complete, sign and return the form of proxy to the Registrar as soon as possible but in any event so as to arrive no later than 10.00 a.m. on 25 June 2015. The completion and return of a form of proxy will not preclude Shareholders from attending at the General Meeting and voting in person should they wish to do so. Accordingly, whether or not Shareholders intend to attend the General Meeting, they are urged to complete and return the form of proxy as soon as possible.

19 Irrevocable undertakings relating to the Resolutions

The Acquisition is conditional upon the Resolutions being approved by Shareholders.

Certain Shareholders have irrevocably undertaken to vote in favour of the Resolutions. In aggregate, the irrevocable undertakings to vote in favour of the Resolutions held by the Company as at the date of this document amount to 20.29 per cent. of the Existing Issued Share Capital.

In addition, David Lenigas has given an irrevocable undertaking to vote in favour of all of the Resolutions, save for the Whitewash Resolution and Resolution 4 on which he is not permitted to vote, in respect of his existing shareholding in the Company, which represents 2.96 per cent. of the Existing Issued Share Capital.

20 Recommendation

The Independent Directors are of the opinion that the Resolutions are in the best interests of the Company and its Shareholder as a whole. Accordingly, the Independent Directors unanimously recommend that Shareholder vote in favour of each of the Resolutions.

In relation to the Waiver, the Independent Directors, who have been so advised by Beaumont Cornish, believe that Resolution 3 and the Proposals as a whole are fair and reasonable and in the best interests of the Independent Shareholders and the Company. In providing advice to the Independent Directors, Beaumont Cornish has taken into account the Independent Directors' commercial assessments. Accordingly, the Independent Directors recommend that

Independent Shareholders vote in favour of Resolution 3 to approve the Rule 9 Waiver. David Lenigas is a member of the Concert Party and therefore not deemed to be independent for the purpose of this recommendation.

Yours faithfully,

Mr Donald Strang
Executive Chairman

Part II

Information on the Concert Party

PART A: The Concert Party

For the purposes of the Takeover Code, the Vendors, namely, John Gunn, Suki Gunn and Corstone Capital Partners LLC and two of the Directors, David Lenigas and Nilesh Jagatia, full details of whom are set out in this Part II, form the Concert Party. David Lenigas and Nilesh Jagatia are considered members of the Concert Party as a result of co-directorships and co-shareholdings they share with John Gunn, a member of the Concert Party. As a result of the Proposals, the Concert Party will be interested in 345,336,133 Ordinary Shares from Admission, further details of which are set out below.

David Lenigas owns 35,300,000 Existing Ordinary Shares and options and warrants to subscribe for 35,300,000 Existing Ordinary Shares, which he has agreed to convert into 2,740,910 New Ordinary Shares, conditional on Admission, as part of the Option Conversion and Warrant Conversion. Should Admission not occur David Lenigas would hold interests amounting to 5.29 per cent. of the Company's Diluted Issued Share Capital. In addition, David Lenigas has agreed to subscribe for 3,250,000 New Ordinary Shares under the Subscription. Other than David Lenigas' interest and the Consideration Shares to be issued pursuant to the Proposals, the Concert Party does not currently have any interests, rights to subscribe or short positions in the share capital of the Company. **As set out in Table 2 below, on Completion of the Proposals, the Concert Party's interest in the Enlarged Ordinary Share Capital will be 61.64 per cent. as follows:**

Table 2: Interests of the Concert Party on Completion of the Proposals

Concert Party member	As at the date of this document			On Admission		
	Number of Existing Ordinary Shares	per cent. of the Existing Issued Share Capital	Number of Options / Warrants to subscribe for Existing Ordinary Shares	Number of Consideration Shares to be issued	Number of New Ordinary Shares	per cent. of the Enlarged Issued Share Capital
John Gunn	—	—	—	293,794,931	293,794,931	52.44%
Suki Gunn	—	—	—	5,165,945	5,165,945	0.92%
Corstone Capital Partners LLC	—	—	—	37,175,256	37,175,256	6.64%
David Lenigas	35,300,000	2.96%	35,300,000	—	9,200,001 (Note 1)	1.64%
Nilesh Jagatia	—	—	—	—	—	—
Total	35,300,000	2.96%	35,300,000	336,136,132	345,336,133	61.64%

Note 1 The number of New Ordinary Shares held by David Lenigas on Admission includes 2,740,910 New Ordinary Shares to be issued pursuant to the Option Conversion and Warrant Conversion, conditional on Admission, further details of which are set out in paragraph 14.2 of Part I of this document, and 3,250,000 New Ordinary Shares issued pursuant to the Subscription.

PART B: THE CITY CODE

1. For the purposes of this Part B and Part IV of this Document:

“acting in concert” has the meaning attributed to it in the Takeover Code.

“arrangement” includes any indemnity or option arrangements, and any agreement or understanding, formal or informal, of whatever nature, relating to relevant securities which may be an inducement to deal or refrain from dealing.

“Connected Adviser” has the meaning attributed to it in the Takeover Code.

“Connected Person” has the meaning attributed to it in section 252 of the Act.

“control” means an interest, or interests, in shares carrying in aggregate 30 per cent. or more of the voting rights attributable to the share capital of a company which are currently exercisable at a general meeting, irrespective of whether such interest or interests give *de facto* control.

“dealing” or “dealt” includes the following:

- (a) the acquisition or disposal of relevant securities, or the right (whether conditional or absolute) to exercise or direct the exercise of voting rights attached to relevant securities, or of general control of relevant securities;
- (b) the taking, granting, acquisition, disposal, entering into, closing out, termination, exercise (by either party) or variation of an option (including a traded option contract) in respect of any relevant securities;
- (c) subscribing or agreeing to subscribe for relevant securities;
- (d) the exercise or conversion of any relevant securities carrying conversion or subscription rights;
- (e) the acquisition of, disposal of, entering into, closing out, exercising (by either party) of any rights under, or variation of, a derivative referenced, directly or indirectly, to relevant securities; or
- (f) entering into, terminating or varying the terms of any agreement to purchase or sell relevant securities;
- (g) the redemption or purchase of, or taking or exercising an option over any of its relevant securities by the Company or Global Investment Strategy Limited; and
- (h) any other action resulting, or which may result, in an increase or decrease in the number of relevant securities in which a person is interested or in respect of which he has a short position.

“derivative” includes any financial product whose value in whole or in part is determined directly or indirectly by reference to the price of an underlying security but which does not include the possibility of delivery of such underlying security.

“disclosure date” means 10 June 2015, being the latest practicable date prior to the posting of this document.

“disclosure period” means the period commencing on 11 June 2014, being the date 12 months prior to the date of the document and ending on the disclosure date.

being “interested” in relevant securities includes where a person:

- (a) owns relevant securities;
- (b) has the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to relevant securities or has general control of them;
- (c) by virtue of any agreement to purchase, option or derivative, has the right or option to acquire relevant securities or call for their delivery or is under an obligation to take delivery of them, whether the right, option or obligation is conditional or absolute and whether it is in the money or otherwise; or
- (d) is party to any derivative whose value is determined by reference to its price and which results, or may result, in his having a long position in it.

“relevant securities” means shares in the Company (or derivatives referenced thereto) and securities convertible into, rights to subscribe for and options (including traded options) in respect thereof, or as the context requires, the ordinary shares of GIS and other securities convertible into, or exchangeable for, rights to subscribe for the options (including traded options) in respect of, or derivatives referenced to, any of the foregoing.

“short position” means any short position (whether conditional or absolute and whether in the money or otherwise) including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery.

2. Save as disclosed in Parts A and D of this Part II of this document, as at the close of business on the disclosure date:
 - (a) no member of the Concert Party nor any director of any member of the Concert Party nor any person acting in concert with any member of the Concert Party had any interest in or right to subscribe for, or had any short position, including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery, in relation to, any relevant securities, nor had any of them dealt in any relevant securities during the disclosure period;
 - (b) there are no relevant securities in respect of which any member of the Concert Party or any director of any member of the Concert Party or any person acting in concert with any member of the Concert Party has borrowed or lent at any time during the disclosure period;
 - (c) neither the Company nor any of the Directors (including any members of such Directors’ respective immediate families, related trusts or Connected Persons) nor any person acting in concert with the Company had any interest in or right to subscribe for, or had any short position, including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery, in relation to any relevant securities nor had any of them dealt in any relevant securities during the disclosure period;
 - (d) there are no relevant securities in respect of which the Company or any of the Directors (including any members of such Directors’ respective immediate families, related trusts or Connected Persons) or any person acting in concert with the Company has borrowed or lent (save for any borrowed relevant securities which have either been on-lent or sold) at any time during the disclosure period;
 - (e) the Company has not redeemed or purchased any relevant securities in the Company during the disclosure period;
 - (f) no agreement, arrangement or understanding exists by which any of the Consideration Shares or other New Ordinary Shares and Warrants held by the Concert Party will be transferred by any member of the Concert Party to any other person;
 - (g) save for the Acquisition Agreements, further details of which are set out in paragraphs 3 of Part I and 11.1 of Part VII of this document, and the participation by David Lenigas and one other Shareholder in the Subscription (amounting to 5,750,000 New Ordinary Shares), further details of which are contained in paragraph 12 of Part I of this document, there are no agreements, arrangements or understandings between any member of the Concert Party and anyone acting in concert with it and any of the Directors, recent Directors, Shareholders or recent Shareholders of the Company, or any person interested or recently interested in shares of the Company or any of them, or any other person, having any connection with or dependence upon the Proposals set out in this Document; and
 - (h) save for the Relationship Agreement (further details on which are set out in paragraph 8 of Part I of this document) there are no relationships (personal, financial or commercial), arrangements or understandings between the Concert Party, any member of the Concert Party and Beaumont Cornish Limited or any person who is, or presumed to be, acting in concert with Beaumont Cornish.

3. Further Concert Party information

Further information on the Concert Party is set out below in this paragraph 3:

3.1 Corstone Capital Partners LLC

<i>Place and date of incorporation:</i>	Corstone Capital Partners (“Corstone”) is registered as a limited liability company in the British Virgin Islands with company number 613054.
<i>Director:</i>	Albert Hawks is the Co-Founder, Chairman and Managing Partner and the sole director of Corstone.
<i>Activity and financial information:</i>	Corstone is responsible for managing a portfolio of diverse businesses and investments. Since 1993 it has organized over \$2.2 billion of aggregate capital commitments and made privately negotiated investments in 50 portfolio companies. It has a holding of 260,144 shares in Global Investment Strategy, representing 9.96 per cent. of the voting rights in Global Investment Strategy.
<i>Registered Office:</i>	The registered office of Corstone Capital Partners is at PO Box 957, Road Town, Tortola British Virgin Islands.
<i>Trading Office:</i>	6701 Democracy Boulevard, Suite 300, Bethesda, MD 20817 USA.
<i>Shareholders:</i>	As at the date of this Document, Corstone Capital Partners is beneficially owned by Albert Hawk of 12017 Wetherfield Lane, Potomac, MD 20854 USA. Albert “Bud” Hawk is the Co-Founder, Chairman and Managing Partner of Corstone since its founding in 1993. A lawyer by background, he founded Corstone with two partners in 1993. Corstone initially began investing in and managing IT, wireless, software and internet companies. In the mid-1990’s, Corstone increasingly allocated assets outside of the US and currently has over \$2.2 billion invested. In addition, Mr. Hawk has served as the CEO of a publicly traded company, Cycomm International, Inc, that pioneered wireless, reliable mobile computing products and services to public safety and other wireless markets.
<i>Ratings:</i>	There are no current ratings or outlooks publicly accorded to Corstone Capital Partners by rating agencies.
<i>Material contracts:</i>	Corstone has not entered into any material contracts (not being contracts entered into in the ordinary course of business) during the period commencing on the date two years prior to the publication of this document and ending on 28 May 2015 (the latest practicable date prior to posting of this Document).

3.2 John Gunn of 2nd Floor, 2 London Wall Buildings, London EC2M 5PP, a British national and resident in the United Kingdom.

John Gunn, the chief executive officer of Global Investment Strategy, is based in the United Kingdom and is the legal and beneficial owner of 2,055,848 shares in Global Investment Strategy, representing 78.69 per cent. of the voting rights in Global Investment Strategy at the date of this document. Mr Gunn began his career in 1987 at Hoare Govett and has since worked at Carr Sheppards Crosthwaite, Merchant Securities and Williams de Broë, where he was a senior investment manager until 2002. From 2004, he has worked with renewable energy and clean tech businesses before becoming involved with Disenco in 2004. Mr Gunn is a director and major shareholder of Global Investment Strategy.

- 3.3 **Suki Gunn** of 2nd Floor, 2 London Wall Buildings, London EC2M 5PP, a British national and resident in the United Kingdom.
- Suki Gunn holds 36,140 shares in Global Investment Strategy, representing 1.38 per cent. of the voting rights in Global Investment Strategy. She joined Global Investment Strategy in 2008, having worked in the financial services industry for over 16 years. Suki Gunn is responsible for the day-to-day management of the accounts and she works closely with our external auditors and tax professionals. Suki Gunn is a connected person to John Gunn.
- 3.4 **David Lenigas** of Apt 12, Le Cimabue, 16 Quai Jean-Charles Rey, Fontvieille, Monaco, 98000, an Australian national and resident in Monaco.
- David Lenigas has extensive experience operating in global public markets having served in a senior executive capacity on many public company boards. He is currently the Chairman of Rare Earth Minerals Plc, Solo Oil Plc, UK Oil & Gas Investments Plc and on the board of various other AIM companies. He has also served as Executive Chairman of London listed Lonrho plc for six years up to September 2012 and was responsible for Lonrho plc's expansion into over 20 countries in Africa in sectors covering agriculture, infrastructure, hotels, IT and aviation. David Lenigas is a director of Inspirit Energy Holdings PLC, holding a common directorship with John Gunn. David Lenigas holds 35,300,000 Existing Ordinary Shares in the capital of the Company and warrants to subscribe for 35,300,000 Existing Shares.
- 3.5 **Nilesh Jagatia** of 2nd Floor, 2 London Wall Buildings, London EC2M 5PP, a British national and resident in the United Kingdom.
- Nilesh Jagatia currently serves as Finance Director of Inspirit Energy Holdings plc and also currently holds Finance Director positions with AIM quoted Clear Leisure plc, Teathers Financial Plc and Limitless Earth Plc. Mr Jagatia has been involved with several IPOs and was previously Group Finance Director of an AIM quoted Online Media and Publishing Company for a period 5 years until July 2012. Mr Jagatia has over 20 years' experience, including senior financial roles in divisions of both Universal Music Group and Sanctuary Group plc. He served as a Finance Director for an independent record label that expanded in to the US. Mr Jagatia is a qualified accountant and holds a degree in finance. Nilesh Jagatia is a director of Inspirit Energy Holdings PLC, holding a common directorship with John Gunn. Nilesh Jagatia holds no interest in the share capital of the Company at the date of this document.
4. The Concert Party is not intending to seek any changes to the Company and the Board other than as described in paragraphs 4 and 5 of Part I of this document and has confirmed that it is its intention that, following Completion of the Proposals, the business of the Company will constitute that of Global Investment Strategy's business. The Company has no fixed assets and save for the Directors, the Company has no employees. As such, the Concert Party is not intending to prejudice the existing employment rights, including pension rights, of any employees or directors of the Group nor to take any steps to amend the Company's share trading facilities in force at the date of this Document.
5. No changes will be introduced to any member of the Concert Party's business as a result of Completion and there will be no repercussions on the location of any member of the Concert Party's places of business. No member of the Concert Party has any employees.
6. No member of the Concert Party intends that the payment of interest on, repayment of or security for any liability of theirs will depend to any significant extent on the business of the Company.
7. The Directors have not given irrevocable undertakings to the Company to vote in favour of the Resolutions in respect of their holdings of Existing Ordinary Shares. Irrevocable undertakings have been provided by certain Shareholders in respect of 242,116,666 Existing Ordinary Shares representing 20.29 per cent. of the Company's Issued Share Capital. Further details are set out in paragraph 19 of Part VII of this document.
8. As far as the Directors are aware, and as confirmed in paragraph 17.1 of Part VII of this document, there have been no known significant changes in the financial or trading position of the Company subsequent to 30 September 2014, the date to which the last published audited accounts were prepared.

9. No inducement fee is payable in respect of the proposals set out in this Document. The Directors confirm that they are unaware of any agreements, arrangements or understandings between any of the Directors or Shareholders of the Company acting in concert with any of the Directors.

PART C: Market Quotations

The following table shows the closing middle market quotations for Ordinary Shares as derived from the AIM Appendix to the Daily Official List of the London Stock Exchange on the first dealing day of each month for the six months immediately preceding the date of this Document and on 10 June 2015 (the last practicable day before posting of this Document):

Date	Price
2 January 2015	0.250p
2 February 2015	0.205p
2 March 2015	0.215p
1 April 2015	0.240p
1 May 2015	0.215p
1 June 2015	0.195p
10 June 2015	0.185p

PART D: Dealings

During the Disclosure Period, save for the Option Conversion and Warrant Conversion as set out in paragraph 14.2 of Part I of this document, the Concert Party have not dealt.

Part III

RISK FACTORS

AN INVESTMENT IN THE COMPANY IS SPECULATIVE AND INVOLVES A HIGH DEGREE OF RISK.

Investing in the New Ordinary Shares involves a high degree of risk. Prospective investors should carefully consider all the information in this document including the risks described below. The risks and uncertainties described below are the material risk factors facing the Company which are currently known to the Directors and Proposed Directors. These risks and uncertainties are not the only ones facing the Company and additional risks and uncertainties not presently known or currently deemed immaterial may also have a material adverse effect on the Company's business, results of operations or financial condition. If any or a combination of the following risks materialise, the Company's business, financial condition, operational performance and share price could be materially and adversely affected to the detriment of the Company and the Shareholders. No inference ought to be drawn as to the order in which the following risk factors are presented as to their relative importance or potential effect. The risks are not presented in any order of priority.

In addition, it may be more difficult for an investor to realise his or her investment on AIM than it is to realise an investment in a company whose shares or other securities are quoted on the Official List. The AIM Rules for Companies are less demanding than the Listing Rules. Therefore, an investment in a share which is traded on AIM is likely to carry a higher risk than an investment in the same share if it were quoted on the Official List. The market for New Ordinary Shares may be highly volatile and subject to wide fluctuations in response to a variety of factors, which could lead to losses for Shareholders. These factors include, amongst others, the following: changes in tax regime; additions or departures of key personnel at the Company; and adverse press, newspaper and other media reports.

SPECIFIC RISKS RELATING TO AN INVESTMENT IN THE ENLARGED GROUP AND THE NEW ORDINARY SHARES

Dependence on key executives and personnel, employee retention and recruitment

Global Investment Strategy has, and the Enlarged Group will have, a comparatively small number of current and proposed employees. The future success of the Enlarged Group depends partially on the expertise of the Directors, the Proposed Directors and certain key employees. The loss of key personnel, and in particular John Gunn, and the inability to recruit further key personnel could have an adverse effect on the Enlarged Group's future through impairing the day to day running of the Enlarged Group and its ability to develop future products. An inability to attract such additional personnel as Global Investment Strategy grows could have an adverse effect on the Company's business and trading results. In addition, the loss of the services of the Executive Directors, members of senior management and other key employees could damage the Company's business. As described in this document in paragraph 13.2 of Part I, the Company proposed to establish an option incentive scheme in order to enhance its ability to retain key personnel.

Influence of Controlling Shareholder

On Admission, John Gunn will have an interest in approximately 52.44 per cent. of the Company's Enlarged Issued Share Capital. Accordingly he will be in a position to exert significant influence over the Company, its strategy, directors and operations. Although as a Director and founder of Global Investment Strategy he is well placed to guide the growth of the Enlarged Group there remains a risk that he could exert undue influence. For example, he will be able to pass ordinary resolutions of the Company with his shareholding. The Company and John Gunn have agreed a Relationship Agreement governing his behaviour as the majority shareholder in the Company, further details of which are set out in paragraph 11.3 of Part VII of this document. Notwithstanding this investors should be aware of the risk posed by having a controlling shareholder with over 50 per cent. of the Company's Enlarged Issued Share Capital.

Third party service providers and adequacy of systems and controls

Whilst closely monitored and designed not to, any weakness or failures in the Company's internal processes and procedures and other operational areas could materially, adversely affect the

Company's operating results, financial condition and prospects and could result in reputational damage.

Aspects of Global Investment Strategy's business rely upon certain third party service providers. A deterioration or interruption in the performance of these service providers could impair the quality and timing of the Company's services. Furthermore, if contracts with any of these service providers are terminated, Global Investment Strategy may not find alternative suppliers on equivalent terms or on a timely basis.

Operational risks, through inadequate or failed internal processes, including financial reporting and risk monitoring processes, or from people-related or external events, including the risk of fraud and other criminal acts carried out against the Company, are present in the Company's businesses. The Company's businesses are dependent on their ability to process and report accurately and efficiently on a volume of transactions across diverse products and services, occasionally in different currencies and occasionally subject to non-UK legal and regulatory regimes. Any weakness in such third party providers or the Company's internal controls and processes could have a negative impact on the Company's results or its ability to report adequately such results during the affected period. Furthermore, damage to the Company's reputation, including to client confidence, arising from actual or perceived inadequacies, weaknesses or failures in Company systems or processes could have a significant adverse impact on the Company's businesses.

Reliance on IT infrastructure and systems

Critical to the Enlarged Group's operations are its own IT systems and also the interfaces with the IT systems' of the key third party service providers Global Investment Strategy relies on in providing its settlements and custody services to clients. Whilst Global Investment Strategy uses standardised systems provided by an industry recognised IT software provider, should there be any failure in the Enlarged Group's own systems, or the interfaces with its key third party services providers, or indeed in the IT systems of these third party service providers, then it could have a material impact on the business, financial performance and position of the Enlarged Group.

Applicable financial services laws may make it difficult to effect a change of control of the Company

In the United Kingdom, the prior approval of the FCA under Part XII of FSMA is required of any "person" (being an individual, business or corporate entity) proposing to acquire control of an FCA regulated firm. Global Investment Strategy is FCA regulated. For these purposes, a person acquires control over an authorised firm if such person holds, or is entitled to exercise or control the exercise of, 10 per cent. or more of the voting power at any general meeting of the authorised person or of the parent undertaking of the authorised person. A person is also regarded as acquiring control over the authorised firm if that person exercises significant influence over the management of the authorised firm or its parent. Accordingly, any person who proposes to acquire 10 per cent. or more of the New Ordinary Shares would become a controller of the Enlarged Group and prior approval of the FCA would be required. An acquisition of the beneficial ownership of 10 per cent. or more of the New Ordinary Shares would therefore need to be notified to the FCA and its approval obtained, even though there may have been no change in the legal ownership of the New Ordinary Shares. Similarly, if a person who is already a controller of an authorised firm proposes to increase its control to reach or exceed certain thresholds set out in section 180(2) of FSMA, such person will also require the prior approval of the FCA. The FCA has a period of three months from the date of notification of the proposed change of control to approve or object to such proposed change of control. These laws may discourage potential acquisition proposals and may delay, deter or prevent a change of control of the Enlarged Group, including through transactions, and in particular unsolicited transactions, that some or all of the Company's Shareholders might consider to be desirable. If a person acquires control of the Company (as described above) without the prior approval of the FCA, it would commit an offence under FSMA and if such person were not a fit and proper person, the FCA could seek to ensure that such person's Ordinary Shares were sold or otherwise disenfranchised. Whilst the Company has received conditional approval from the FCA for the Acquisition, there can be no guarantee that such approval(s) will be forthcoming for future transactions whereby a 3rd party acquires 10 per cent. or more of the Company.

Other Change of Control permissions required

Global Investment Strategy has contracts with some of its third party service providers that contain 'change of control' provisions requiring these third party service providers to grant approval in writing to any change of control within Global Investment Strategy. Whilst the Company is confident these will be granted given Global Investment Strategy's existing management's continuing role within the Enlarged Group, there can be no guarantee of this. Should any of these not be granted this could have a material adverse effect on the Enlarged Group's revenue and profitability.

Changes in regulation or legislation

The regulatory regime applicable to companies such as Global Investment Strategy is under regular review and future changes made by a regulatory body could impose a greater burden on Global Investment Strategy with consequential additional costs. As Global Investment Strategy is a regulated business, it relies on continuing to be authorised to be able to undertake certain roles and operations.

The Enlarged Group's businesses are subject to substantial regulation both in the UK, US and other jurisdictions. Adverse regulatory developments could have a significant material, adverse effect on the Enlarged Group's operating results, financial condition and prospects.

The Enlarged Group conducts its businesses subject to ongoing regulation and associated regulatory risks, including the effects of changes in the laws, regulations, policies, voluntary codes of practice and interpretations in the UK and the other markets where it operates. Future changes in regulation, fiscal or other policies are unpredictable and beyond the control of the Enlarged Group and could materially adversely affect the Enlarged Group's business.

Areas where changes could have an adverse impact include, but are not limited to:

- other general changes in regulatory requirements, such as prudential rules relating to the capital adequacy or liquidity frameworks;
- further developments in the financial reporting, corporate governance, conduct of business and employee compensation; and
- other unfavourable political, military or diplomatic developments producing social instability or legal uncertainty which, in turn, may affect demand for the Enlarged Group's products and services.

Growth management

There can be no assurance that the anticipated growth of the Enlarged Group will be successfully managed. The Enlarged Group may have to engage the services of additional experienced investment banking personnel to handle a material growth in the Enlarged Group's business. Prior to such additional personnel being engaged, the additional demands placed on the Enlarged Group's existing resources could impair its ability to maintain its service levels to its customers.

Economic or political conditions

The Enlarged Group's businesses are subject to inherent risks arising from general and sector-specific economic conditions.

Adverse developments, such as a crisis in the global financial markets, recession, and further deterioration of general economic conditions would adversely affect the Enlarged Group's earnings and profits. The global economy has recently exited a severe recession and there is no certainty that the global economy will not enter recession again.

Significantly higher unemployment in the UK and elsewhere, reduced corporate profitability, reduced personal non-salary income levels, increased corporate insolvency rates, increased personal insolvency rates, increased tenant defaults and/or increased rates, may also affect the Enlarged Group's business.

Reputation

The ability of the Enlarged Group to attract new business and to retain its existing clients depends upon the maintenance of its reputation in the market. The industry in which the Enlarged Group operates demands a high level of integrity. Client trust is paramount and the Group is thus susceptible to adverse market perception. Any fraud, mismanagement or failure to satisfy the Company's responsibilities to its clients, any negative publicity resulting from such activities or the

accusation of such actions associated with Global Investment Strategy, could have a material adverse effect on the financial condition, results or operations of the Company. Furthermore, after recent downturns in equity markets and the resulting heightened media and consumer interest in the financial services industry, any negative publicity associated with Global Investment Strategy could damage the Enlarged Group's reputation and could have a material adverse effect on the financial condition, results or operations of the Enlarged Group.

Employee misconduct

The Enlarged Group may run the risk that employee misconduct could occur. Misconduct by employees could include binding the Enlarged Group to transactions that exceed authorised limits or present unacceptable risks, or hiding unauthorised or unsuccessful transactions from the Enlarged Group, which, in either case, may result in unknown or unmanaged risks or losses. Employee misconduct could also involve improper use of confidential information, which could result in regulatory sanctions and serious reputational harm. It is not always possible to prevent employee misconduct and the precautions which the Enlarged Group takes to prevent and detect this activity, which include taking references on recruitment of personnel, ongoing training and review processes and authorising only certain personnel to carry out certain actions on behalf of the Enlarged Group, may not be effective in all cases. In addition, as the Company grows, such precautions may need to be updated and/or expanded to increase their effectiveness. Failure to do so, or to do so in a timely fashion, may lead to such precautions becoming ineffective, or less effective, against the risks against which it is intended they mitigate. The Company maintains professional indemnity insurance, but there can be no guarantee that any loss suffered by the Company would be adequately covered by such insurance, particularly in the event of employee misconduct.

Operating history

The Enlarged Group has a limited operating history in the financial services industry; Global Investment Strategy having operated its business in its current form since 2011. Therefore, there can be no assurance that the Enlarged Group will continue to produce revenue, operate profitably or provide a return on investment following the Acquisition.

Stock market conditions

Global Investment Strategy's business is highly dependent on stock market conditions, especially volumes of equities and other financial products traded. Adverse market conditions resulting in reducing volumes of trading may have a significant negative effect on revenues and profitability.

Dilution of Shareholders' interests

The Enlarged Group may need to raise substantial additional funds in the future to either comply with regulatory capital requirements or to finance its activities, investments and/or acquisitions. If additional funds are raised through the issuance of new equity or equity-linked securities of the Enlarged Group other than on a *pro rata* basis to existing Shareholders, the percentage ownership of the Shareholders may be significantly reduced, Shareholders may experience subsequent dilution and/or such securities may have preferred rights, options and pre-emption rights senior to the Ordinary Shares.

The Directors intend that the Enlarged Group should be able to issue additional New Ordinary Shares as consideration for further acquisitions and/or raise additional working capital for the Company as required. Insofar as such new Ordinary Shares are not offered first to existing Shareholders, then their interests in the Company will be diluted.

Market perception

Market perception of financial services companies may change which could impact on the value of investors' holdings and impact on the ability of the Company to raise further funds by issue of further shares in the Company.

Competition

The Enlarged Group's businesses are conducted in competitive environments and the Enlarged Group's financial performance will depend upon management's ability to respond effectively to

competitive pressures. Competition within the financial services market may impact on the Enlarged Group's abilities to generate revenues from its businesses.

Risks of business activities, credit risks and exposure to losses

Whilst not a significant part of the Enlarged Group, in respect of Enlarged Group may be subject to substantial liabilities for material misstatements or omissions in prospectuses, listing and admission documents and other communications with respect to equity offerings, and may be exposed to claims and litigation arising from such offerings or negligent advice or omissions in general, either through its own actions or through those of its own Appointed Representatives.

The Enlarged Group is exposed to the risk that third parties that owe the Enlarged Group money or securities will not perform their obligations. These parties may default on their obligations due to bankruptcy, lack of liquidity, operational failure and other reasons. The settlement model primarily used by the Enlarged Group does not, however, expose the Enlarged Group to a risk as a principal to a trade; rather the Enlarged Group's exposure lies only with the Enlarged Group's settlement agents. In addition, in circumstances in which the Group does act as principal, by carrying out proprietary trading (for investment funds or otherwise), the counterparty will normally be a market counterparty, rather than an unregulated third party corporate or individual trader.

Furthermore, default risk may arise from events or circumstances that are difficult to detect, such as fraud. The Enlarged Group may also fail to receive full information with respect to the trading risks of a counterparty.

Risk of loss of business continuity

The Enlarged Group's business operations, information systems and processes are vulnerable to damage or interruption from fires, power loss, telecommunication failures, bomb threats, explosions or other forms of terrorist activity and other natural and man-made disasters. These systems may also be subject to sabotage, vandalism, theft and other similar misconduct. The same is true of third party service providers on which the Group depends.

Litigation

Legal proceedings may arise from time to time in the course of the Group's businesses. The Directors cannot preclude that litigation may be brought against the Group and that such litigation could have a material adverse effect on the financial condition, results or operations of the Group.

The Enlarged Group's businesses may be materially adversely affected if the Enlarged Group and/or its employees or agents are found not to have met the appropriate standard of care or exercised their discretion or authority in a prudent or appropriate manner in accordance with accepted standards. Although the Company and Global Investment Strategy maintains professional indemnity insurance against such risks of its employees or agents, there is no guarantee that any insurance in place will cover all, or any part, of any liability incurred by the Company in any such circumstances.

Currency risk

A large proportion of Global Investment Strategy's income and expenses are incurred in foreign currency. As a result, fluctuations in currency exchange rates could have an adverse effect on the financial condition, results of operation or cash flow of the Enlarged Group. Global Investment Strategy would consider hedging against these movements however such hedging could prove insufficient to protect the Enlarged Group from severe swings in foreign exchange rates.

GENERAL RISKS RELATING TO AN INVESTMENT IN NEW ORDINARY SHARES

General Market and Investment Risks relating to AIM traded securities

A prospective investor should consider with care whether an investment in the Company is suitable for him in light of his personal circumstances and the financial resources available to him. An investment in the Company is only suitable for investors capable of evaluating the risks and merits of such investment and who have sufficient resources to bear any loss which may result from the investment. Prospective investors should therefore consult an independent financial adviser authorised under the FSMA before investing if you are in the United Kingdom or, if not, another appropriately authorised independent adviser who specialises in advising on the acquisition of shares and other securities.

Investment in the Company should not be regarded as short-term in nature. There can be no guarantee that any appreciation in the value of the Company's assets or investments will occur or that the investment objectives of the Company will be achieved. Investors may not get back the full amount initially invested. The price of shares and the income derived from them can go down as well as up. Past performance is not necessarily a guide to the future. There is also the possibility that the market value of an investment in the Company may not reflect the true underlying value of the Company.

Changes in economic conditions including, for example, interest rates, rates of inflation, industry conditions, competition, political and diplomatic events and trends, tax laws and other factors can substantially and adversely affect investments and the Company's prospects.

Notwithstanding the fact that an application will be made for the New Ordinary Shares to be admitted to trading on AIM, this should not be taken as implying that there will be a "liquid" market in the New Ordinary Shares. The market for shares in smaller public companies is less liquid than for larger public companies. Therefore, an investment in the Company may be difficult to realise. The New Ordinary Shares will not be listed on the Official List. Investments in shares traded on AIM carry a higher degree of risk than investments in shares quoted on the Official List.

The price for the New Ordinary Shares may be volatile and influenced by many factors, some of which are beyond the control of the Company. For example, the performance of the overall share market, other Shareholders buying or selling large numbers of New Ordinary Shares, changes in legislation or regulations and general economic conditions.

Possible volatility in the price of Ordinary Shares

The market price of the New Ordinary Shares could be volatile and subject to significant fluctuations due to a variety of factors, including changes in market sentiment regarding Ordinary Shares (or securities similar to them), any regulatory changes affecting the Company's operations, variations in its operating results, developments in the industry or its competitors, the operating and share price performance of other companies in the financial services and markets sector, or speculation about the Company's business in the press, media or investment communities. The Company's operating results and prospects from time to time, may be below the expectations of market analysts and investors. Any of these events could result in a decline in the market price of the New Ordinary Shares.

In general, prospective investors should be aware that the value of an investment in the New Ordinary Shares may go down as well as up. The Company can give no assurance that the market price of New Ordinary Shares will not decline below the relevant price at which potential investors subscribe for New Ordinary Shares.

Dividends

Dividend maintenance and/or growth in the Ordinary Shares will rely on underlying growth in the Group's businesses and, in particular, the dividend policy mentioned in Part I of this Document should not be construed as a dividend forecast. Any change in the tax treatment of dividends or interest received by the Company may reduce the level of yield, if any, received by Shareholders.

Taxation

Any change in the Company's tax status or in taxation legislation could affect the Company's ability to provide returns to Shareholders. Statements in this Document concerning the taxation of investors in Ordinary Shares are based on current tax law and practice which are subject to change. The taxation of an investment in the Company depends on the individual circumstances of investors. Investors should consider carefully whether an investment in the Company is suitable for them in the light of the potential risk factors, their personal circumstances and the financial resources available to them and should obtain their own professional advice where they consider necessary.

Substantial sales of New Ordinary Shares

On Admission, 302,994,932 New Ordinary Shares representing 54.05 per cent. of the Issued Share Capital will be subject to a full lock-in for a period of 12 months post Admission and thereafter for a period of 12 months after the expiry of the initial lock-in period (the "Second Restricted Period") and for the purpose of maintaining an orderly market in the New Ordinary Shares, Shareholders

will only be able to dispose of interests in the New Ordinary Shares through Northland Capital Partners, as the Company's broker. Whilst these agreements are designed to ensure an orderly market in the New Ordinary Shares, there can be no guarantee that a sale of a large number of New Ordinary Shares, particularly following the end of the relevant lock in periods under the lock in agreements, will not adversely affect the market price of New Ordinary Shares.

Shareholders may sell their New Ordinary Shares in the future to realise their investment. Sales of substantial amounts of these New Ordinary Shares following Admission, or the perception that these sales could occur, could materially adversely affect the market price of the Ordinary Shares available for sale compared to the demand to buy New Ordinary Shares. Such sales may also make it more difficult for the Company to sell equity securities in the future at a time and price that is deemed appropriate.

The risks noted above do not necessarily comprise all those faced by the Company and are not intended to be presented in any assumed order of priority.

There may be special risks if an investor holds Ordinary Shares in certain jurisdictions. At this time, the Company does not intend to make accommodations regarding its financial information to assist any holders with their tax obligations.

The investment described in this document is speculative and may not be suitable for all recipients of this document. Potential investors are accordingly advised to consult a person authorised under the FSMA who specialises in advising in investments of this kind before making any investment decisions. A prospective investor should consider carefully whether an investment in the Company is suitable in the light of his personal circumstances and the financial resources available to him.

Part IV

FINANCIAL INFORMATION

Basis of financial information

Part IV of this Document contains the following financial information on the Enlarged Group:

- Incorporation of relevant financial information for the interim period ended 30 September 2014 and three years ended 31 March 2014 on Octagonal by reference

Audited historical financial information for the three years ended 31 March 2014 and six months ended 30 September 2014 are available on the Company's website at www.octagonalplc.com.

	<i>Information</i>	<i>Source of information</i>
1.	Turnover, loss before and after taxation and the charge for tax, for Octagonal for the six months ended 30 September 2014 and three financial years ended 31 March 2014.	<p><i>The source of the information is set out in the table below. If you are reading this document in hard copy, please enter the relevant web address in your web browser to be brought to the relevant document, which are incorporated into this Document by reference. If you are reading this document in soft copy please click on the relevant web address below to be brought back to the relevant document</i></p> <p>(i) Octagonal Interim Report 2014, statement of comprehensive income on page 3.</p> <p>If you are reading this Document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this Document in soft copy please click on the web address below to be brought to the relevant document</p> <p>http://www.octagonalplc.com/docs/default-source/corporate-information/interim-results-period-ending-30-september-2014.pdf?sfvrsn=6</p>
		<p>(ii) Octagonal Annual Report 2014, statement of comprehensive income on page 10.</p> <p>If you are reading this Document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this Document in soft copy please click on the web address below to be brought to the relevant document</p> <p>http://www.octagonalplc.com/docs/default-source/corporate-information/financial-reports-year-ended-31-march-2014.pdf?sfvrsn=2</p>
		<p>(iii) Octagonal Annual Report 2013, consolidated statement of comprehensive income on page 9.</p> <p>If you are reading this Document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this Document in soft copy please click on the web address below to be brought to the relevant document</p> <p>http://www.octagonalplc.com/docs/default-source/corporate-information/report-of-the-directors-and-consolidated-financial-statements—march-2013.pdf?sfvrsn=4</p>
		<p>(iv) Octagonal Annual Report 2012, consolidated statement of comprehensive income on page 10.</p> <p>If you are reading this Document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this Document in soft copy please click on the web address below to be brought to the relevant document</p>

		http://www.octagonalplc.com/docs/default-source/corporate-information/financial-reports-year-ended-31-march-2012.pdf?sfvrsn=4
2.	A statement on the assets and liabilities shown in the audited accounts for Octagonal for the six months ended 30 September 2014 and three financial years ended 31 March 2014	<p>(i) Octagonal Interim Report 2014, statement of financial position on page 4.</p> <p>If you are reading this Document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this Document in soft copy please click on the web address below to be brought to the relevant document</p> <p>http://www.octagonalplc.com/docs/default-source/corporate-information/interim-results-period-ending-30-september-2014.pdf?sfvrsn=6</p>
		<p>(ii) Octagonal Annual Report 2014, statement of financial position on page 11.</p> <p>If you are reading this Document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this Document in soft copy please click on the web address below to be brought to the relevant document</p> <p>http://www.octagonalplc.com/docs/default-source/corporate-information/financial-reports-year-ended-31-march-2014.pdf?sfvrsn=2</p>
		<p>(iii) Octagonal Annual Report 2013, consolidated statement of financial position on page 11.</p> <p>If you are reading this Document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this Document in soft copy please click on the web address below to be brought to the relevant document</p> <p>http://www.octagonalplc.com/docs/default-source/corporate-information/report-of-the-directors-and-consolidated-financial-statements—march-2013.pdf?sfvrsn=4</p>
		<p>(iv) Octagonal Annual Report 2012, consolidated statement of financial position on page 12.</p> <p>If you are reading this Document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this Document in soft copy please click on the web address below to be brought to the relevant document</p> <p>http://www.octagonalplc.com/docs/default-source/corporate-information/financial-reports-year-ended-31-march-2012.pdf?sfvrsn=4</p>
3.	A cash flow statement as provided in the audited accounts for Octagonal for the six months ended 30 September 2014 and three financial years ended 31 March 2013	<p>(i) Octagonal Interim Report 2014, statement of cash flow on page 6.</p> <p>If you are reading this Document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this Document in soft copy please click on the web address below to be brought to the relevant document</p>

		http://www.octagonalplc.com/docs/default-source/corporate-information/interim-results-period-ending-30-september-2014.pdf?sfvrsn=6
		(ii) Octagonal Annual Report 2014, statement of cash flow on page 13. If you are reading this Document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this Document in soft copy please click on the web address below to be brought to the relevant document http://www.octagonalplc.com/docs/default-source/corporate-information/financial-reports-year-ended-31-march-2014.pdf?sfvrsn=2
		(iii) Octagonal Annual Report 2013, consolidated statement of cash flow on page 15. If you are reading this Document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this Document in soft copy please click on the web address below to be brought to the relevant document Http://www.octagonalplc.com/docs/default-source/corporate-information/report-of-the-directors-and-consolidated-financial-statements—march-2013.pdf?sfvrsn=4
		(iv) Octagonal Annual Report 2012, consolidated statement of cash flow on page 16. If you are reading this Document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this Document in soft copy please click on the web address below to be brought to the relevant document http://www.octagonalplc.com/docs/default-source/corporate-information/financial-reports-year-ended-31-march-2012.pdf?sfvrsn=4
4.	Significant accounting policies together with any points from the notes to the accounts which are of major relevance to an appreciation of the figures for the six months ended 30 September 2014 and three financial years ended 31 March 2014	(i) Octagonal Interim Report 2014, accounting policies and notes to the financial statements on page 7. If you are reading this Document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this Document in soft copy please click on the web address below to be brought to the relevant document http://www.octagonalplc.com/docs/default-source/corporate-information/interim-results-period-ending-30-september-2014.pdf?sfvrsn=6
		(ii) Octagonal Annual Report 2014, accounting policies and notes to the financial statements on pages 14 to 27. If you are reading this Document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this Document in soft copy please click on the web address below to be brought to the relevant document

		http://www.octagonalplc.com/docs/default-source/corporate-information/financial-reports-year-ended-31-march-2014.pdf?sfvrsn=2
		<p>(iii) Octagonal Annual Report 2013, accounting policies and notes to the financial statements on pages 17 to 38.</p> <p>If you are reading this Document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this Document in soft copy please click on the web address below to be brought to the relevant document</p> <p>http://www.octagonalplc.com/docs/default-source/corporate-information/report-of-the-directors-and-consolidated-financial-statements—march-2013.pdf?sfvrsn=4</p>
		<p>(iv) Octagonal Annual Report 2012, accounting policies and notes to the financial statements on pages 18 to 39.</p> <p>If you are reading this Document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this Document in soft copy please click on the web address below to be brought to the relevant document</p> <p>http://www.octagonalplc.com/docs/default-source/corporate-information/financial-reports-year-ended-31-march-2012.pdf?sfvrsn=4</p>
5.	A statement of changes in equity for the six months ended 30 September 2014 and three financial years ended 31 March 2014	<p>(i) Octagonal Interim Report 2014, statement of changes in equity on page 5.</p> <p>If you are reading this Document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this Document in soft copy please click on the web address below to be brought to the relevant document</p> <p>http://www.octagonalplc.com/docs/default-source/corporate-information/interim-results-period-ending-30-september-2014.pdf?sfvrsn=6</p>
		<p>(ii) Octagonal Annual Report 2014, statement of changes in equity on page 12.</p> <p>If you are reading this Document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this Document in soft copy please click on the web address below to be brought to the relevant document</p> <p>http://www.octagonalplc.com/docs/default-source/corporate-information/financial-reports-year-ended-31-march-2014.pdf?sfvrsn=2</p>
		<p>(iii) Octagonal Annual Report 2013, consolidated statement of changes in equity on page 13.</p> <p>If you are reading this Document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this Document in soft copy please click on the web address below to be brought to the relevant document</p>

		http://www.octagonalplc.com/docs/default-source/corporate-information/report-of-the-directors-and-consolidated-financial-statements—march-2013.pdf?sfvrsn=4
		(iv) Octagonal Annual Report 2012, consolidated statement of changes in equity on page 14. If you are reading this Document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this Document in soft copy please click on the web address below to be brought to the relevant document http://www.octagonalplc.com/docs/default-source/corporate-information/financial-reports-year-ended-31-march-2012.pdf?sfvrsn=4
6.	Independent audit report in respect of each Annual Report for the three financial years ended 31 March 2014	(i) Octagonal Annual Report 2014, independent auditor’s report on pages 8 and 9. If you are reading this Document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this Document in soft copy please click on the web address below to be brought to the relevant document http://www.octagonalplc.com/docs/default-source/corporate-information/financial-reports-year-ended-31-march-2014.pdf?sfvrsn=2
		(ii) Octagonal Annual Report 2013, independent auditor’s report on pages 7 and 8. If you are reading this Document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this Document in soft copy please click on the web address below to be brought to the relevant document http://www.octagonalplc.com/docs/default-source/corporate-information/report-of-the-directors-and-consolidated-financial-statements—march-2013.pdf?sfvrsn=4
		(iii) Octagonal Annual Report 2012, independent auditor’s report on pages 8 and 9. If you are reading this Document in hard copy, please enter the below web address in your web browser to be brought to the relevant document. If you are reading this Document in soft copy please click on the web address below to be brought to the relevant document http://www.octagonalplc.com/docs/default-source/corporate-information/financial-reports-year-ended-31-march-2012.pdf?sfvrsn=4

The financial statements for the Company for the interim period ended 30 September 2014 and the three financial periods ended 31 March 2014, 31 March 2013 and 31 March 2012 are available free of charge on the Company’s website <http://www.octagonalplc.com/home>.

Information referred to in the table above has not been published in an inflation adjusted form. The annual reports are available in a “read-only” format and can be printed from the Company’s website <http://www.octagonalplc.com/home>. The Company will provide within two Business Days, without charge, to each person to whom a copy of this Document has been delivered,

upon their written or verbal request, a copy of any documents incorporated by reference in this Document. In addition each person to whom a copy of this Document has been delivered may request that all future documents, announcements and information sent to them in relation to the Waiver should be sent in hard copy form. Copies of any documents incorporated by reference in this Document will not be provided unless such a request is made. Requests for copies of any such document should be directed to the Company or by telephone to +44 (0) 207 440 0640.

Part V

Accountant's Report and Historical Financial Information on Global Investment Strategy UK Limited

SECTION A – ACCOUNTANTS' REPORT ON GLOBAL INVESTMENT STRATEGY LIMITED

Chapman
Davis LLP

CHARTERED ACCOUNTANTS

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The Directors
Global Investment Strategy UK Ltd
Brook Point
1412 High Road
London N20 9BH

The Directors
Beaumont Cornish Ltd
2nd Floor, Bowman House
29 Wilson Street
London EC2M 2SJ

11 June 2015

Dear Sirs,

GLOBAL INVESTMENT STRATEGY UK LIMITED ("GLOBAL" OR THE "COMPANY")

Introduction

We report on the financial information set out in Section B of Part 5 which has been prepared for inclusion in the admission document dated 11 June 2015 of the Company (the "Admission Document") on the basis of the accounting policies set out in the financial information. This report is given for the purpose of complying with the AIM Rules for Companies (the "AIM Rules") and for no other purpose.

Responsibility

The Directors of the Company (the "Directors") are responsible for the preparation of the financial information on the basis set out in Note 1 of the financial information and in accordance International Financial Reporting Standards (IFRSs) as adopted by the European Union.

It is our responsibility to form an opinion on the financial information as to whether the financial information gives a true and fair view, for the purposes of the Admission Document, and to report our opinion to you.

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 the law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by an 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 Schedule Two of the AIM Rules for Companies.

The financial information has been based on the audited financial statements of the Company for the years ending 31 March 2012, 31 March 2013 and 31 March 2014, and the unaudited 6 months ended 30 September 2013 and 30 September 2014, to which the only adjustments that were considered necessary related to presentational changes in regards to converting to International Financial Reporting Standards (IFRSs) as adopted by the European Union (as detailed in Note 1 to the financial information).

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 significant estimates and judgements made by those responsible for the preparation of the financial statements underlying 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.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in the United States of America or other jurisdictions and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Opinion

In our opinion, the financial information gives, for the purposes of the Admission Document, a true and fair view of the state of affairs of the Company as at the dates stated and of its results for the periods then ended in accordance with the basis of preparation set out in note 1 to the financial information and has been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Declaration

For the purposes of the AIM Rules, we are responsible for this report as part of the admission procedure 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 the Admission Document in compliance with Schedule Two of the AIM Rules for Companies.

Yours faithfully,

Chapman Davis LLP
Chartered Accountants

SECTION B – FINANCIAL INFORMATION ON GLOBAL INVESTMENT STRATEGY UK LIMITED

Responsibility

The Directors of the Company are responsible for the preparation of the financial information on the basis of preparation set out in Note 1 to the financial information and in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

STATEMENTS OF COMPREHENSIVE INCOME

For each of the three years ended 31 March 2014 and the six months ended 30 September 2014

		Year ended 31 March 2012 Audited	Year ended 31 March 2013 Audited	Year ended 31 March 2014 Audited	Six months ended 30 September 2013 Unaudited	Six months ended 30 September 2014 Audited
	Notes	£'000	£'000	£'000	£'000	£'000
Continuing Operations						
Revenues	5	393	1,435	2,551	1,038	1,523
Cost of sales		(261)	(372)	(852)	(348)	(560)
Gross profit		132	1,063	1,699	690	963
Administrative expenses		(582)	(471)	(973)	(382)	(731)
Operating profit / (loss)		(450)	592	726	307	232
(Impairment loss) / reversal of impairment of investment	6	(164)	—	(295)	—	27
Interest receivable	7	26	—	—	—	—
Interest payable	8	(17)	(21)	(12)	(8)	1
Profit / (loss) before taxation	9	(605)	571	419	299	260
Tax expense	11	(3)	—	—	—	—
Net profit / (loss)		(608)	571	419	299	260
Other comprehensive income / (loss)		—	—	—	—	—
Total Comprehensive income / (loss) for the period attributable to equity shareholders of the Company		(608)	571	419	299	260

STATEMENTS OF FINANCIAL POSITION
As of 31 March 2012, 2013 and 2014 and 30 September 2014

		As at 31 March 2012 Audited	As at 31 March 2013 Audited	As at 31 March 2014 Audited	As at 30 September 2014 Audited
	Notes	£'000	£'000	£'000	£'000
ASSETS					
Non-current assets					
Property, plant and equipment	12	3	2	20	67
Investments	13	394	449	790	817
Total non-current assets		<u>397</u>	<u>451</u>	<u>810</u>	<u>884</u>
Current assets					
Cash and cash equivalents		641	783	350	236
Trade and other receivables	14	304	355	858	1,507
Investments	13	246	202	193	213
Total current assets		<u>1,191</u>	<u>1,340</u>	<u>1,401</u>	<u>1,956</u>
TOTAL ASSETS		<u><u>1,588</u></u>	<u><u>1,791</u></u>	<u><u>2,211</u></u>	<u><u>2,840</u></u>
EQUITY					
Share Capital	15	2,349	2,349	2,612	2,948
Share premium account		263	263	—	—
Retained (losses)		(1,665)	(1,094)	(675)	(415)
Total Equity		<u>947</u>	<u>1,518</u>	<u>1,937</u>	<u>2,533</u>
LIABILITIES					
Non-current liabilities					
Borrowings	16	—	—	—	6
Total non-current liabilities		<u>—</u>	<u>—</u>	<u>—</u>	<u>6</u>
Current liabilities					
Borrowings	16	300	224	142	49
Trade and other payables	17	341	49	132	252
Total current liabilities		<u>641</u>	<u>273</u>	<u>274</u>	<u>301</u>
Total Liabilities		<u>641</u>	<u>273</u>	<u>274</u>	<u>307</u>
TOTAL EQUITY AND LIABILITIES		<u><u>1,588</u></u>	<u><u>1,791</u></u>	<u><u>2,211</u></u>	<u><u>2,840</u></u>

STATEMENTS OF CHANGES IN EQUITY

for each of the three years ended 31 March 2014 and the six months ended 30 September 2014

	Share capital	Share premium	Retained earnings / (losses)	Total Equity
	£'000	£'000	£'000	£'000
Balance at 1 April 2011	2,349	263	(1,057)	1,555
Total comprehensive loss for the year	—	—	(608)	(608)
Balance at 31 March 2012	2,349	263	(1,665)	947
Total comprehensive income for the year	—	—	571	571
Balance at 31 March 2013	2,349	263	(1,094)	1,518
Total comprehensive income for the year	—	—	419	419
Capitalisation of share premium	263	(263)	—	—
Balance at 31 March 2014	2,612	—	(675)	1,937
Total comprehensive income for the period	—	—	260	260
Issue of shares	336	—	—	336
Balance at 30 September 2014	2,948	—	(415)	2,533

STATEMENTS OF CASH FLOWS

For each of the three years ended 31 March 2014 and the six months ended 30 September 2014

	Year ended 31 March 2012 Audited	Year ended 31 March 2013 Audited	Year ended 31 March 2014 Audited	Six months ended 30 September 2013 Unaudited	Six months ended 30 September 2014 Audited
	£'000	£'000	£'000	£'000	£'000
Cash flows from operating activities					
Operating profit / (loss)	(450)	592	726	307	232
Interest (paid) / received	(17)	(22)	(12)	(8)	1
Payment of income tax	(3)	—	—	—	—
Depreciation of property, plant and equipment	1	1	7	—	19
Loss on disposal of property, plant and equipment	13	—	—	—	—
Operating cash flow before working capital changes	(456)	571	721	299	252
(Increase) / decrease in trade and other receivables	(138)	(217)	(668)	84	(181)
(Increase) / decrease in current asset investments	—	44	9	—	(20)
Increase / (decrease) in trade and other payables	460	(125)	247	12	(12)
	322	(298)	(412)	96	(213)
Net cash inflow / (outflow) from operating activities	(134)	273	309	395	39
Cash flows from investing activities					
Purchase of property, plant and equipment	(1)	—	(24)	—	(66)
Purchase of investments	—	—	(801)	(801)	—
Loans (advanced to) / repaid by investee company	—	(55)	165	165	—
Interest received	26	—	—	—	—
Net cash flows from investing activities	25	(55)	(660)	(636)	(66)
Cash flows from financing activities					
New finance leases	—	—	—	—	13
(Repayment of) loans	—	(76)	(82)	—	(100)
Net cash flows from financing activities	—	(76)	(82)	—	(87)
Net increase / (decrease) in cash and cash equivalents	(109)	142	(433)	(241)	(114)
Cash and cash equivalents at beginning of period	750	641	783	783	350
Cash and cash equivalents at end of period	641	783	350	542	236

NOTES TO THE FINANCIAL INFORMATION

1. GENERAL INFORMATION

(a) The Company

The principal activity of Global Investment Strategy UK Limited (the "Company" or "GIS") is that of a financial services company trading in Global Markets. The Company is a London Stock Exchange member firm and is regulated by the Financial Conduct Authority ("FCA").

GIS offer a broad scope of settlement, custody, banking, broking and advisory services to professional, retail, corporate and eligible counterparty clients. GIS has over 100 counterparty relationships including most of the major local and international investments banks transacting in the UK.

In addition to its core business of global settlement and custodial settlement services, GIS has an Investment Management Division, managing funds for both domestic and overseas clients on a discretionary basis.

The Company was incorporated on 29 October 2002 as a private limited company under the Companies Act 1985 and is registered in England and Wales. Following a variation of the Company's FCA permission granted on 18 April 2011, the Company is allowed to provide brokerage services for institutional clients on a matched principal basis without stamp duty being incurred. In addition, on 16 December 2011, a variation of FCA permission was granted for contracts for difference and spread betting and, on 12 January 2012, a variation of permission was granted to allow payment services activities (as a small payment institution).

The registered office of the Company is Brook Point, 1412 High Road, London N20 9BH.

(b) Basis of preparation

The Financial Information presents the results of the Company for each of the three years ended 31 March 2014 and the six months ended 30 September 2014. The financial information has been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS") issued by the International Accounting Standards Board ("IASB") including related interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

(c) First-time adoption of IFRS

The financial information presented herein is the first the Company has prepared in accordance with IFRS as described in the summary of significant accounting policies. For periods up to and including the year ended 31 March 2014, the Company prepared its financial statements in accordance with generally accepted accounting principles in the United Kingdom (UK GAAP).

In preparing this financial information, the Group's opening statement of financial position was prepared as at 1 April 2011, the Company's date of transition to IFRS. In restating its UK GAAP financial statements, no adjustments were necessary to any amounts included in the statement of financial position as at 1 April 2011 or at 31 March 2012, 2013 and 2014. The transition from UK GAAP to IFRS has had no impact on the statement of comprehensive income or statement of consolidated cash flows for each of the three years ended 31 March 2014.

2. Adoption of new and revised Standards

At the date of approval of the financial information, the following new and revised Standards and Interpretations have been adopted but have not affected the presentation and disclosures reported in the financial information.

(i) Standards and Interpretations adopted with no effect on the financial information

IFRS 11, 'Joint arrangements' (effective from 1 January 2014) focuses on the rights and obligations of the parties to the arrangement rather than its legal form. There are two types of joint arrangements: joint operations and joint ventures. Joint operations arise where the investors have rights to the assets and obligations for the liabilities of an arrangement. A joint operator accounts for its share of the assets, liabilities, revenue and

expenses. Joint ventures arise where the investors have rights to the net assets of the arrangement; joint ventures are accounted for within its separate financial statements at cost. Proportional consolidation of joint arrangements is no longer permitted.

IFRS 12, 'Disclosures of interests in other entities' (effective from 1 January 2014) includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, structured entities and other off balance sheet vehicles.

IAS 27 'Separate financial statements' (revised 2011) (effective from 1 January 2014) includes the provisions on separate financial statements that are left after the control provisions of IAS 27 have been included in the new IFRS 10. IAS 27 Separate Financial Statements (as amended in 2011) outlines the accounting and disclosure requirements for 'separate financial statements', which are financial statements prepared by a parent, or an investor in a joint venture or associate, where those investments are accounted for either at cost or in accordance with IAS 39 Financial Instruments: Recognition and Measurement or IFRS 9 Financial Instruments. The standard also outlines the accounting requirements for dividends and contains numerous disclosure the requirements.

Amendment to IAS 32, 'Financial instruments: Presentation' on asset and liability offsetting (effective from 1 January 2014). This amendment is to the application guidance in IAS 32 and clarifies some of the requirements for offsetting financial assets and financial liabilities on the balance sheet.

(ii) Standards, amendments and interpretations to published standards not yet effective

The IASB agreed in May 2013 that IAS 27 'Separate Financial Statements' should be amended to allow an entity to measure its investment in a subsidiary, associate or joint venture using the equity method of accounting in its separate financial statements. There is no guidance in IFRS 11 Joint Arrangements which only refers to other standards for the accounting treatment. The IAASB concluded that the accounting of joint operations was inadvertently omitted from IFRS 11. Equity Method in Separate Financial Statements (Amendments to IAS 27), was issued in August 2014. An entity shall apply those amendments for annual periods beginning on or after 1 January 2016 retrospectively in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. Earlier application is permitted. If an entity applies those amendments for an earlier period, it shall disclose that fact. The amendments to IAS 27 will allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements.

IFRIC 21, 'Levies' (effective from 17 June 2014). This is an interpretation of IAS 37, 'Provisions, contingent liabilities and contingent assets'. IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event (known as an obligating event). This interpretation clarifies that the obligating event that gives to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy.

IFRS 9 Financial Instruments: IFRS 9 will eventually replace IAS 39 in its entirety. The process has been divided into three main components, being classification and measurement; impairment; and hedge accounting. The Company provisionally assesses the potential effect to be immaterial. The previous effective date of 1 January 2015 has been withdrawn and is now expected to be implemented in 2018.

IFRS 15 Revenue from contracts with customers: IFRS 15 establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. It is effective for periods beginning on or after 1 January 2017, and will supersede a number of International Financial Reporting Standards and International Accounting Standards, including IAS 18 Revenue.

None of the other new standards, interpretations and amendments that are not yet effective is expected to have a material effect on the Company's future financial statements.

3. Summary of significant accounting policies

(a) Critical accounting estimates and judgments

The preparation of financial information in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the directors to exercise their judgement in the process of applying the accounting policies which are detailed below. These judgements are continually evaluated by the directors and management and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The key estimates and underlying assumptions concerning the future and other key sources of estimation uncertainty at the statement of financial position date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements that management has made in the process of applying the Company's accounting policies and which have a significant effect on the amounts recognised in the financial information.

Revenue recognition

Revenue is recognised when the right to receive payment is established, to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, rebates and Value Added Tax or duty. The Company assesses its revenue arrangements to determine if it is acting as principal or agent. The Company has concluded that it is acting as a agent in all of its revenue arrangements.

In making its judgement, management considered the detailed criteria for the recognition of revenue set out in IAS 18 'Revenue'.

Income from trading activities

Income from trading activities is recognised when the right to receive the payment is established.

Interest income

Interest income is recognised on a time proportion basis using the effective interest method.

Impairment of investments

Determining whether investments are impaired requires an estimation of the value to the Company. As the market value of the Company's listed investments is readily available, this value is used in the assessment and calculation of any impairment provision. An impairment provision of £295,000 was made in the year ended 31 March 2014 and £164,000 in the year ended 31 March 2012. In the six month period ended 30 September 2014, £27,000 of the impairment loss was reversed through the income statement.

Allowance for trade and other receivables

Management reviews its loans and receivables for objective evidence of impairment at least annually. Significant financial difficulties of the debtor, the probability that the debtor will enter bankruptcy, and default or significant delay in payments are considered objective evidence that a receivable is impaired. In determining this, management makes judgment as to whether there is observable data indicating that there has been a significant change in the payment ability of the debtor, or whether there have been significant changes with adverse effect in the technological, market, economic or legal environment in which the debtor operates in.

The allowance policy for doubtful debts of the Company is based on the ageing analysis and management's on-going evaluation of the recoverability of the outstanding receivables. Once debtors have been identified as having evidence of impairment, it is regularly reviewed and appropriate impairment position applied.

Provision for deferred taxes

The Company has incurred losses which are relievable against future profits. Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. In determining the probability of future taxable profits, management reviews, on a regular basis, its expectation of future profitability by reference to estimates for revenues and costs. The carrying amounts of deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the deferred tax assets to be utilised.

(b) Functional and foreign currencies

(i) Functional and Presentation Currency

Items included in the financial statements of the Company are measured in Pounds Sterling, the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Pounds Sterling (and rounded to the nearest thousand), which is the Company's presentation currency.

(ii) Transactions and balances

Transactions in foreign currencies are converted into the respective functional currencies on initial recognition, using the exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities at the end of the reporting period are translated at the rates ruling as of that date. Non-monetary assets and liabilities are translated using exchange rates that existed when the values were determined. All exchange differences are recognised in profit or loss.

(c) Financial instruments

Financial instruments are recognised in the statements of financial position when the Company has become a party to the contractual provisions of the instruments.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends, gains and losses relating to a financial instrument classified as a liability are reported as an expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity.

Financial instruments are offset when the Company has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

A financial instrument is recognised initially, at its fair value plus, in the case of a financial instrument not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial instrument.

Financial instruments recognised in the statements of financial position are disclosed in the individual policy statement associated with each item.

Financial assets are derecognised when the contractual rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

(i) Financial assets

On initial recognition, financial assets within the scope of IAS 39 are classified as either financial assets at fair value through profit or loss, held-to-maturity investments, loans and receivables financial assets, or available-for-sale financial assets, as appropriate.

- Financial assets at fair value through profit or loss (“FVTPL”)

Financial assets are classified as at FVTPL when the financial asset is either held for trading or it is designated as at FVTPL.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company’s documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and IAS 39 Financial Instruments: Recognition and Measurement permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the ‘other gains and losses’ line item in the statement of comprehensive income.

Valuation of financial assets held at FVTPL

The fair values of quoted investments are based on bid prices at the balance sheet date.

The fair value of unlisted securities is established using Directors ‘estimates. The valuation methodology used most commonly by the Company is the ‘price of recent investment’. Where there has been any recent investment by third parties, the price of that investment will provide a basis of the valuation. Where a fair value cannot be estimated reliably, the investment is reported at the carrying value at the previous reporting date unless there is evidence that the investment has since been impaired.

- Held-to-maturity investments

As at the end of each reporting period in this financial information, there were no financial assets classified under this category.

- Loans and receivables financial assets

Trade receivables and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables financial assets. Loans and receivables financial assets are measured at amortised cost using the effective interest method, less any

impairment loss. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

- Available-for-sale financial assets

As at the end of each reporting period in this financial information, there were no financial assets classified under this category.

(ii) Financial liabilities

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument.

All financial liabilities are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method other than those categorised as fair value through profit or loss.

Fair value through profit or loss category comprises financial liabilities that are either held for trading or are designated to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise. Derivatives are also classified as held for trading unless they are designated as hedges. As at the end of each reporting period in this financial information, there were no financial liabilities classified under this category.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same party on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the profit or loss.

(iii) Equity instruments

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from proceeds.

Dividends on ordinary shares are recognised as liabilities when approved for appropriation.

(d) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is calculated under the reducing balance method to write off the depreciable amount of the assets over their estimated useful lives. Depreciation of an asset does not cease when the asset becomes idle or is retired from active use unless the asset is fully depreciated. The principal annual rates used for this purpose are:-

– Motor vehicles	25per cent.
– Fixtures and fittings	25per cent.
– Office equipment	25per cent.

The depreciation method, useful lives and residual values are reviewed, and adjusted if appropriate, at the end of each reporting period to ensure that the amounts, method and periods of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of the property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when the cost is incurred and it is probable that the future economic benefits associated with the asset will flow to the Company and the cost of the asset can be measured reliably. The carrying amount of parts that are

replaced is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred. Cost also comprises the initial estimate of dismantling and removing the asset and restoring the site on which it is located for which the Company is obligated to incur when the asset is acquired, if applicable.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss on retirement or disposal is determined as the difference between any sales proceeds and the carrying amounts of the asset and is recognised in the comprehensive income statement.

(e) Impairments

(i) Impairment of financial assets

All financial assets (other than those recognised at fair value through profit or loss), are assessed at the end of each reporting period as to whether there is any objective evidence of impairment as a result of one or more events having an impact on the estimated future cash flows of the asset.

An impairment loss in respect of loans and receivables financial assets is recognised in profit or loss and is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

In a subsequent period, if the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

(ii) Impairment of non-financial assets

The carrying values of assets, other than those to which IAS 36 – 'Impairment of Assets' does not apply, are reviewed at the end of each reporting period for impairment when there is an indication that the assets might be impaired. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. The recoverable amount of the assets is the higher of the assets' fair value less costs to sell and their value-in-use, which is measured by reference to discounted future cash flow.

(iii) An impairment loss is recognised in profit or loss immediately.

When there is a change in the estimates used to determine the recoverable amount, a subsequent increase in the recoverable amount of an asset is treated as a reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in profit or loss immediately.

(f) Income Taxes

Income tax expense for each reporting period comprises current and deferred tax.

Current tax is the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax liabilities are recognised for all taxable temporary differences other than those that arise from goodwill or excess of the acquirer's interest in the net fair value of the recognised identifiable assets, liabilities and contingent liabilities over the business

combination costs or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. The carrying amounts of deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on the tax rates that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same taxation authority.

Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow deferred tax assets to be recovered.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transactions either in other comprehensive income or directly in equity.

Deferred tax arising from a business combination is included in the resulting goodwill or excess of the acquirer's interest in the net fair value of the recognised identifiable assets, liabilities and contingent liabilities over the business combination costs.

(g) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, bank balances, deposits with financial institutions and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(h) Employee benefits

Short-term benefits

Wages, salaries, paid annual leave and sick leave, bonuses and non-monetary benefits are accrued in the period in which the associated services are rendered by employees of the Company.

(i) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present or constructive obligation as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount can be made. Provisions are reviewed at the end of each financial reporting period and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the provision is the present value of the estimated expenditure required to settle the obligation.

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence of one or more uncertain future events not wholly within the control of the Company. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the financial statements. When a change in the probability of an outflow occurs so that the outflow is probable, it will then be recognised as a provision.

A contingent asset is a probable asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain events not wholly within the control of the Company. The Company does not recognise contingent assets but discloses its existence where inflows of economic benefits are probable, but not virtually certain.

(j) Related parties

A party is related to an entity if:-

- (i) directly, or indirectly through one or more intermediaries, the party:-
 - controls, is controlled by, or is under common control with, the entity (this includes parents, subsidiaries and fellow subsidiaries);
 - has an interest in the entity that gives it significant influence over the entity; or
 - has joint control over the entity;
- (ii) the party is an associate of the entity;
- (iii) the party is a joint venture in which the entity is a recognised;
- (iv) the party is a member of the key management personnel of the entity or its parent;
- (v) the party is a close member of the family of any individual referred to in (i) or (iv);
- (vi) the party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or
- (vii) the party is a post-employment benefit plan for the benefit of employees of the entity, or of any entity that is a related party of the entity.

Close members of the family of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the entity.

(k) Operating segments

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components. An operating segment's operating results are reviewed regularly by the chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

(l) Borrowings

Borrowings are presented as current liabilities unless the Company has an unconditional right to defer settlement for at least 12 months after the reporting date, in which case they are presented as non-current liabilities.

(m) Fiduciary activities

In order to render investment services to clients, the Company holds cash on behalf of clients. The cash is kept in segregated bank accounts in the Company's name on behalf of its clients and these accounts are held by the Company in a fiduciary capacity and are not included as part of the Company's assets and liabilities in the financial statements.

(n) Leases

Operating Leases

Rentals payable under operating leases are charged to the comprehensive income statement on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Finance leases, which transfer to the Company substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased item or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to profit or loss. Capitalised lease assets are depreciated over the shorter of the estimated useful life of the asset or the lease term, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term.

4. Segment analysis

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Company that are regularly reviewed by the chief operating decision maker (which takes the form of the board of directors of the Company) as defined in IFRS 8, in order to allocate resources to the segment and to assess its performance.

The Directors' consider the principal activity of the Company to be that of financial services with permission to provide custodial, payment and brokerage services to its clients., and to constitute one reportable segment, that of the provision of such financial services.

All other segments primarily comprise income and expenses relating to the Company's administrative functions. Interest income and interest expense are not allocated to segments, as this type of activity is driven by the central treasury function, which manages the cash position of the Company. Accordingly, this information is not separately reported to the board of Directors.

Geographical information

All revenues are derived from the principal activity of the Company, being the provision of financial services. Revenue from external customers was entirely generated in the UK and the Company's net assets were all located there.

Information about major customers

No customer accounted for more than 10 per cent of reported revenues in any of the three years ended 31 March 2014 and the six months ended 30 September 2014.

5. Revenues

	Year ended 31 March 2012 Audited	Year ended 31 March 2013 Audited	Year ended 31 March 2014 Audited	Six months ended 30 September 2013 Unaudited	Six months ended 30 September 2014 Audited
	£'000	£'000	£'000	£'000	£'000
Revenues arising from:					
Settlements/Custody	225	790	1,935	747	1,383
Sale of shares	74	—	—	—	4
Corporate finance	20	—	16	—	9
Other trading income	74	645	600	291	127
	<u>393</u>	<u>1,435</u>	<u>2,551</u>	<u>1,038</u>	<u>1,523</u>

6. (Impairment loss) / reversal of impairment of investment

	Year ended 31 March 2012 Audited	Year ended 31 March 2013 Audited	Year ended 31 March 2014 Audited	Six months ended 30 September 2013 Unaudited	Six months ended 30 September 2014 Audited
	£'000	£'000	£'000	£'000	£'000
Impairment / (reversal) of investment	<u>164</u>	<u>—</u>	<u>295</u>	<u>—</u>	<u>(27)</u>

The impairment provision and release thereof relates to the Company's investment in Inspirit Energy Holdings PLC (formerly Kleenair International Systems PLC) and was made to adjust the carrying value to the lower of cost and market value.

7. Interest received

	Year ended 31 March 2012 Audited	Year ended 31 March 2013 Audited	Year ended 31 March 2014 Audited	Six months ended 30 September 2013 Unaudited	Six months ended 30 September 2014 Audited
	£'000	£'000	£'000	£'000	£'000
Interest received on cash balances	<u>26</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>

8. Interest payable

	Year ended 31 March 2012 Audited	Year ended 31 March 2013 Audited	Year ended 31 March 2014 Audited	Six months ended 30 September 2013 Unaudited	Six months ended 30 September 2014 Audited
	£'000	£'000	£'000	£'000	£'000
Interest on other loans	15	21	12	8	(1)
Other interest	2	—	—	—	—
Interest payable	<u>17</u>	<u>21</u>	<u>12</u>	<u>8</u>	<u>(1)</u>

9. Profit / (loss) before taxation

Profit / (loss) before taxation is stated after charging / (crediting):

	Year ended 31 March 2012 Audited	Year ended 31 March 2013 Audited	Year ended 31 March 2014 Audited	Six months ended 30 September 2013 Unaudited	Six months ended 30 September 2014 Audited
	£'000	£'000	£'000	£'000	£'000
Auditors' remuneration	5	5	4	2	6
Other fees payable to auditors	—	—	3	—	3
Depreciation of property, plant and equipment	1	1	7	—	19
Loss on disposal of property, plant and equipment	12	—	—	—	—
Staff costs (including Directors)					
– Salaries, allowances and bonuses	124	81	247	100	217
– Social security costs	13	9	37	9	18
Operating lease rentals (land and buildings)	91	96	174	75	73
Impairment (reversal of impairment) of investment	164	—	295	—	(27)
Foreign exchange differences	2	—	—	—	—
	<u>2</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>

10. Staff costs and employees

Staff costs, including directors' remuneration were as follows:

	Year ended 31 March 2012 Audited	Year ended 31 March 2013 Audited	Year ended 31 March 2014 Audited	Six months ended 30 September 2013 Unaudited	Six months ended 30 September 2014 Audited
	£'000	£'000	£'000	£'000	£'000
Wages and salaries	124	81	248	100	217
Social security costs	13	9	37	9	18
Staff costs	<u>137</u>	<u>90</u>	<u>285</u>	<u>109</u>	<u>235</u>

Included within wages and salaries is directors' remuneration as follows;

J Gunn	10	—	1	—	6
J Nazhat	—	—	—	—	6
Total Directors Remuneration	<u>10</u>	<u>—</u>	<u>1</u>	<u>—</u>	<u>12</u>

The average monthly number of employees (including directors) was as follows:

	Year ended 31 March 2012 Audited	Year ended 31 March 2013 Audited	Year ended 31 March 2014 Audited	Six months ended 30 September 2013 Unaudited	Six months ended 30 September 2014 Audited
	No.	No.	No.	No.	No.
Operations	<u>2</u>	<u>2</u>	<u>8</u>	<u>3</u>	<u>11</u>

11. Tax expense / (release)

	Year ended 31 March 2012 Audited	Year ended 31 March 2013 Audited	Year ended 31 March 2014 Audited	Six months ended 30 September 2013 Unaudited	Six months ended 30 September 2014 Audited
	£'000	£'000	£'000	£'000	£'000
Current tax (release):					
– for the financial year / period	—	—	—	—	—
– under provision in prior periods	3	—	—	—	—
	—	—			
Deferred tax expenses (release) :					
– for the financial year / period	—	—	—	—	—
Income tax expense (release)	3	—	—	—	—

A reconciliation of income tax expense / (release) applicable to the profit / (loss) before taxation at the statutory tax rate to the income tax expense/(release) at the effective tax rate of the Company is as follows:

	Year ended 31 March 2012 Audited	Year ended 31 March 2013 Audited	Year ended 31 March 2014 Audited	Six months ended 30 September 2013 Unaudited	Six months ended 30 September 2014 Audited
	£'000	£'000	£'000	£'000	£'000
Profit / (loss) before taxation	(605)	571	419	299	260
Financial year statutory tax rate	20per cent.	20per cent.	20per cent.	20per cent.	20per cent.
Tax expenses / (release) at the applicable statutory tax rate	(121)	114	84	60	52
Tax effects of:-					
Non-deductible expenses	2	—	3	1	3
Tax losses for which no deferred income tax asset was recognised	117	(114)	(54)	(59)	(57)
Capital allowances in excess of depreciation	(1)	—	(4)	(2)	2
Adjustments in respect of prior periods	—	—	(40)	—	—
Other short term timing differences	—	—	11	—	—
Income tax expense / (release)	(3)	—	—	—	—

The Company has tax losses of approximately £88,000 at 30 September 2014 (31 March 2014: £324,000; 31 March 2013: £594,000; 31 March 2012: £1,165,000) to carry forward against future profits.

12. Property, plant and equipment

	Fixtures and fittings	Office equipment	Motor Vehicles	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 April 2011	9	1	35	45
Additions	1	—	—	1
Disposals	—	—	(35)	(35)
At 31 March 2012	10	1	—	11
Additions	—	—	—	—
Disposals	—	—	—	—
At 31 March 2013	10	1	—	11
Additions	—	25	—	25
Disposals	—	—	—	—
At 31 March 2014	10	26	—	36
Additions	—	3	63	66
Disposals	—	—	—	—
At 30 September 2014	10	29	63	102
Accumulated depreciation				
At 1 April 2011	7	—	23	30
Charge for the year	1	—	—	1
Eliminated on disposal'	—	—	(23)	(23)
At 31 March 2012	8	—	—	8
Charge for the year	1	—	—	1
At 31 March 2013	9	—	—	9
Charge for the year	—	7	—	7
At 31 March 2014	9	7	—	16
Charge for the period	—	3	16	19
At 30 September 2014	9	10	16	35
Net Book Value				
At 31 March 2012	2	1	—	3
At 31 March 2013	1	1	—	2
At 31 March 2014	1	19	—	20
At 30 September 2014	1	19	47	67

Assets held under finance leases

The carrying value of motor vehicles held finance leases at 30 September 2014 was £14,768 (31 March 2014, 31 March 2013 and 31 March 2012: nil).

13. Investments

	Current assets		Non-current assets		Total
	Listed investments	Unlisted investments	Listed investments	Loans to investee	
	£'000	£'000	£'000	£'000	
Cost					
At 1 April 2011	183	179	651	(66)	947
Additions	13	—	225	176	414
Disposals	(116)	—	—	—	(116)
Impairment provision	—	—	(225)	—	(225)
At 31 March 2012	80	179	651	110	1,020
Additions	—	—	—	55	55
At 31 March 2013	80	179	651	165	1,075
Additions	—	—	801	—	801
Disposals	(47)	—	—	(165)	(212)
At 31 March 2014	33	179	1,452	—	1,664
Additions	22	—	—	—	22
At 30 September 2014	55	179	1,452	—	1,686
Impairment & Market Value Movement					
At 1 April 2011	—	—	203	—	203
Provision for the year	13	—	164	—	177
At 31 March 2012	13	—	367	—	380
Provision for the year	44	—	—	—	44
At 31 March 2013	57	—	367	—	424
Eliminated on disposal	(47)	—	—	—	(47)
Provision for the year	9	—	295	—	304
At 31 March 2014	19	—	662	—	681
Reversal for the period	2	—	(27)	—	(25)
At 30 September 2014	21	—	635	—	656
Net Book Value					
At 31 March 2012	67	179	284	110	640
At 31 March 2013	23	179	284	165	651
At 31 March 2014	14	179	790	—	983
At 30 September 2014	34	179	817	—	1,030

The non-current asset listed investment represents shares in Inspirit Energy Holdings Plc (“Inspirit”) (formerly Kleenair Systems International Plc, “Kleenair”), a company listed on the Alternative Investment Market of the London Stock Exchange (AIM). The shareholding at 30 September 2014 represents an 8.31per cent. interest in Inspirit (31 March 2014: 9.61per cent.; 31 March 2013 2.12per cent. interest in Kleenair; 31 March 2012 2.21per cent. interest

in Kleenair). Inspirit Energy Holdings Plc is incorporated in England and Wales and was established to develop and commercialise a micro Combined Heat and Power ("mCHP") appliance for local, small-scale generation of electricity.

The market value of the non-current asset investment at 30 September 2014 is £817,000 (31 March 2014: £790,000; 31 March 2013 £490,000; 31 March 2012 £490,000). The market value of the holding in Inspirit as at 12 March 2015 is £381,000, and indicates a further market value write-down to be included in the next financial statement of £436,000.

The loans to the investee comprised secured loan notes convertible into shares in Inspirit Energy Holdings Plc. The loan notes were converted on 27 August 2013.

The current asset investments comprises investments in unlisted and listed securities which are traded on stock markets throughout the world, and are held by the Company as a mix of strategic and short term investments

14. Trade and other receivables

	31 March 2012 Audited	31 March 2013 Audited	31 March 2014 Audited	30 September 2014 Audited
	£'000	£'000	£'000	£'000
Current assets				
Loan to Director (Note 18)	—	—	527	732
Loan to related party (Note 18)	159	224	224	224
Prepayments and accrued income	5	—	—	—
Corporation tax recoverable	—	—	—	132
Other receivables	140	131	107	419
	<u>304</u>	<u>355</u>	<u>858</u>	<u>1,507</u>

15. Share Capital

Below is the composition of share capital as of 30 September 2014 and as of 31 March, 2014, 2013 and 2012:

	Number of Shares	
	Authorised	Allotted, called up and fully paid
<u>30 September 2014</u>		
Ordinary shares with a nominal value of £1 each	3,000,000	2,948,876
<u>31 March 2014</u>		
Ordinary shares with a nominal value of £1 each	3,000,000	2,612,609
<u>31 March 2012 and 31 March 2013</u>		
Ordinary shares with a nominal value of £1 each	3,000,000	2,348,876

On 20 February 2014, a bonus issue of 263,733 shares was made to existing shareholders by capitalisation of the share premium account.

On 2 April 2014, 336,267 shares were issued at par, uncalled. On 5 January 2015, following a call in January 2015, all of these shares were forfeited unpaid, and remain held by the Company as Treasury shares from that date.

16. Borrowings

	As at 31 March 2012 Audited £'000	As at 31 March 2013 Audited £'000	As at 31 March 2014 Audited £'000	As at 30 September 2014 Audited £'000
Non-current				
Finance leases	—	—	—	6
	—	—	—	6
Current				
Finance leases	—	—	—	7
Other borrowings	300	224	142	42
	300	224	142	49
Finance lease obligations				
Gross finance lease liabilities – minimum lease payments				
Not later than one year	—	—	—	8
Later than one year and no later than five years	—	—	—	6
	—	—	—	14
Future interest charges	—	—	—	(1)
Present value of finance lease liabilities	—	—	—	13

Included within other borrowings at 30 September 2014 is an amount of £42,000 (31 March 2014: £142,000; 31 March 2013: £224,000; 31 March 2012: £300,000) secured by a debenture over the assets of the Company. The loan carries interest at 5per cent. over the base rate from time to time of HSBC. The loan is repayable on demand. The fair value of borrowings approximates their carrying amount, as the impact of discounting is not considered material.

17. Trade and other payables

	As at 31 March 2012 Audited £'000	As at 31 March 2013 Audited £'000	As at 31 March 2014 Audited £'000	As at 30 September 2014 Audited £'000
Current liabilities				
Trade payables	—	—	14	9
Taxes and social security	4	15	51	52
Corporation tax payable	—	—	—	132
Accruals and deferred income	38	34	60	59
Other payables	299	—	7	—
	341	49	132	252

Included within other payables at 31 March 2012 was an amount of £242,000 advanced by a director secured by a debenture over the assets of the Company. The loan carried interest at 5per cent. over the base rate from time to time of HSBC. The loan was repayable on demand.

18. Related party disclosures

Balances and transactions between the Company and other related parties are disclosed below.

Remuneration of key management personnel

The remuneration of key management, which comprises directors (executive and non-executive), who are the key management personnel of the Company, is set out below for each of the categories specified in IAS 24 'Related Party Disclosures'.

	Year ended 31 March 2012	Year ended 31 March 2013	Year ended 31 March 2014	Six months ended 30 September 2013	Six months ended 30 September 2014
	£'000	£'000	£'000	£'000	£'000
J. Gunn:					
– Salaries and other short-term employee benefits	10	—	—	—	6
– Amounts paid to third parties for director's services (a)	—	—	1	—	120
J. Nazhat:					
– Amounts paid to third parties for director's services (b)	—	—	—	—	6
	10	—	1	—	132

Amounts paid to third parties for director's service were made to:

- Pinnacle Investment Management Limited, a company in which Mr. J. Gunn, a director and shareholder of the Company, is the sole shareholder; and
- Montpelier Law Limited, a company in which J. Nazhat, a director of the Company, is the sole shareholder.

Included within other receivables at 30 September 2014 is an amount of £224,000 (31 March 2014: £224,000; 31 March 2013: £224,000; 31 March 2012: £159,000) due from Pinnacle Investment Management Limited,

As disclosed in Note 17 above, included within other payables at 31 March 2012 was an amount of £242,000 advanced by Mr. J. Gunn, a director, secured by a debenture over the assets of the Company. The loan carried interest at 5per cent. over the base rate from time to time of HSBC. The loan was repayable on demand.

As disclosed in Note 14, Loan to Director, is the amount of £732,000 at 30 September 2014 (31 March 2014: £527,000), a loan advanced to Mr. J Gunn, a director, unsecured and repayable on demand.

19. Financial instruments

The Company's activities are exposed to a variety of market risks (including foreign currency risk and interest rate risk), credit risk and liquidity risk. The Board of Directors reviews and agrees policies for managing each of these risks and seeks to minimise potential adverse effects on its financial performance.

(a) Financial risk management policies

The Company's policies in respect of the major areas of treasury activity are as follows:-

(i) Foreign currency risk

The Company is exposed to foreign currency risk on transactions and balances that are denominated in currencies other than Pounds Sterling. The currencies giving rise to this risk are primarily the United States Dollar (USD). Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level.

The Company maintains a natural hedge whenever possible, by matching the cash inflows (revenue stream) and cash outflows used for operational expenditure in the respective currencies.

The carrying amounts of the Company's foreign currency denominated monetary assets and liabilities at the end of each reporting period were as follows:-

	As at 31 March 2012 Audited £'000	As at 31 March 2013 Audited £'000	As at 31 March 2014 Audited £'000	As at 30 September 2014 Audited £'000
Financial assets:				
Bank and cash balances	8	—	3	7

The Directors consider that the Company is not exposed to material foreign currency risk.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk arises mainly from interest-bearing financial assets and liabilities. The Company's policy is to obtain the most favourable interest rates available. Any surplus funds are placed with licensed financial institutions to generate interest income.

A 100 basis points increase / decrease in interest rates as at the end of each reporting period would have immaterial impact on profit / (loss) after taxation and/or equity. This assumes that all other variables remain constant.

(iii) Credit risk

The Company's exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Company manages its exposure to credit risk by the application of credit approvals, and monitoring procedures on an ongoing basis. For other financial assets (including cash and bank balances), the Company minimises credit risk by dealing exclusively with high credit rating counterparties.

The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of the trade and other receivables as appropriate. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified. Impairment is estimated by management based on prior experience and the current economic environment.

Credit risk concentration profile

The Company did not have significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The Company defines major credit risk as exposure to a concentration exceeding 10per cent. of a total class of such asset.

Exposure to credit risk

As the Company does not hold any collateral, the maximum exposure to credit risk is represented by the carrying amount of the financial assets as at the end of each reporting period.

The Company believes that no impairment allowance is necessary in respect of these trade and receivables. They are substantially companies with good collection track record and no recent history of default.

(iv) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

The Company maintains a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

The contractual maturity profile of the financial liabilities, including interest, of the Company as at the end of each reporting was less than 12 months.

(v) Compliance Risk

The Company is regulated by the Financial Conduct Authority. The regulatory environment is regularly changing and imposes significant demands on the resources of the Company. As the Company's activities expand, these regulatory demands will inevitably increase. The increasing complexity of the Company's operations is met primarily by a formal process of monitoring, training and recruitment, tailored to meet these regulatory requirements.

(b) Capital risk management

The Company defines capital as the total equity. The Director'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 directors may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The directors ensure that distributions to shareholders do not exceed working capital requirements.

(c) Classification of financial instruments

	As at 31 March 2012 Audited	As at 31 March 2013 Audited	As at 31 March 2014 Audited	As at 30 September 2014 Audited
	£'000	£'000	£'000	£'000
Financial assets				
<u>Loans and receivables financial assets</u>				
Trade and other receivables excluding prepayments	299	355	858	1,507
Cash and cash equivalents	641	783	350	236
	940	1,138	1,208	1,743
<u>Assets at fair value through profit and loss</u>				
Investments	640	651	983	1,030
Financial liabilities				
<u>At amortised cost</u>				
Trade and other payables excluding accruals and deferred income	303	15	72	193
Borrowings	300	224	142	55
	603	239	214	248

(d) Fair values of financial instruments

The financial assets and financial liabilities maturing within the next 12 months approximated their fair values due to the relatively short-term maturity of the financial instruments.

20. Operating lease commitments

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	At 31 March 2012 Audited	At 31 March 2013 Audited	At 31 March 2014 Audited	At 30 September 2014 Audited
	£'000	£'000	£'000	£'000
Operating leases which expire:				
Within one year	—	—	109	100
In the second to fifth years inclusive	—	—	—	—
After more than five years	—	—	—	—
	—	—	109	100

The Company leases its head office under a non-cancellable a tenancy at will.

Payments recognised as an expense under these operating leases were as follows:

	Year ended 31 March 2012 Audited	Year ended 31 March 2013 Audited	Year ended 31 March 2014 Audited	Six months ended 30 September 2013 Unaudited	Six months ended 30 September 2014 Audited
	£'000	£'000	£'000	£'000	£'000
Minimum lease payments	91	96	174	75	73

21. Subsequent events

On 2 April 2014, 336,267 shares were issued at par, uncalled. On 5 January 2015, following a call in December 2014, all of these shares were forfeited unpaid, and remain held by the Company as Treasury Shares from that date.

On 4 March 2015, the loan due from Pinnacle Investment Management Limited of £224,000 was settled by way of the transfer of assets to the company of equivalent value to the outstanding balance.

On 18 March 2015, the unlisted current investment was converted into a loan repayable in 4 equal instalments, the payments being due in May and December 2015, and May and December 2016.

22. Nature of financial information

The financial information presented above does not constitute statutory financial statements for the period under review.

Part VI

Section A

Unaudited Pro-Forma Statement of Net Assets of the Enlarged Group

Chapman
Davis LLP

CHARTERED ACCOUNTANTS

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The Directors
Octagonal Plc
Suite 3B
38 Jermyn Street
London SW1Y 6DN

The Directors
Global Investment Strategy UK Ltd
Brook Point
1412 High Road
London N20 9BH

The Directors
Beaumont Cornish Ltd
2nd Floor, Bowman House
29 Wilson Street
London EC2M 2SJ

11 June 2015

Dear Sirs,

We report on the *pro forma* statement of net assets on Admission as set out in Part VI Section B of the Admission Document dated 11 June 2015, which has been prepared, for illustrative purposes only, to provide information about how the acquisition will affect the financial information presented.

Responsibilities

It is the responsibility solely of the Directors of Octagonal Plc to prepare the *pro forma* statement of net assets.

It is our responsibility to form an opinion on the *pro forma* statement of net assets on Admission and to report our opinion to you. We do not accept any responsibility for any reports previously given by us or any financial information used in the compilation of the *pro forma* statement of net assets beyond that owed to those to whom the reports were addressed by us at the dates of their issue.

Basis of opinion

We conducted our work in accordance with the Statements of Investment Circular Reporting Standards issued by the Auditing Practices Board. Our work, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the *pro forma* statement of net assets on Admission with the Directors of Octagonal Plc.

Opinion

In our opinion:

- (i) the *pro forma* statement of net assets on Admission has been properly compiled on the basis stated;

- (ii) such basis is consistent with the accounting policies of Octagonal Plc; and
- (iii) the adjustments are appropriate for the purposes of the *pro forma* statement of net assets on Admission as disclosed.

Yours faithfully,

Chapman Davis LLP
Chartered Accountants

Part VI

Section B

Unaudited Pro Forma Statement of Net Assets of the Enlarged Group

	Octagonal Plc As per accountants' report as at 30 September 2014 (Note 1) £'000	Global Investment Strategy UK Ltd As per accountants' Report as at 30 September 2014 (Note 1) £'000	Goodwill and Elimination of Assets and Liabilities on completion (Note 2) £'000	Subscription proceeds and Costs of acquisition and admission (Note 3) £'000	Pro forma adjusted net assets of The Group on admission to AIM £'000
Non-current assets					
Goodwill	—	—	5,131	—	5,131
Property, plant & equipment	—	67	—	—	67
Available for sale investments	804	817	(759)	—	862
Total non-current assets	804	884	4,372	—	6,060
Current assets					
Trade & other receivables	264	1,507	(45)	(732)	994
Available for sale investments	143	213	—	—	356
Cash & cash equivalents	92	236	—	475	803
Total current assets	499	1,956	—	(257)	2,153
Total assets	1,303	2,840	4,327	(257)	8,213
Non-current liabilities					
Borrowings	—	(6)	—	—	(6)
Total non-current liabilities	—	(6)	—	—	(6)
Current Liabilities					
Borrowings	—	(49)	—	—	(49)
Trade & other payables	(147)	(252)	—	—	(399)
Total current liabilities	(147)	(301)	—	—	(448)
Total liabilities	(147)	(307)	—	—	(454)
Total net assets	1,156	2,533	4,327	(257)	7,759

Notes:

1. The Pro Forma Statement of Net Assets on Admission is unaudited and save for the adjustments noted below, no trading or transactions by Octagonal Plc ("Octagonal") and Global Investment Strategy UK Ltd ("GIS") have been accounted for since 30 September 2014.
2. The approximate Goodwill arising on purchase and subsequent consolidation of the enlarged group, and elimination of Octagonal's holding in GIS, along with the conversion of a receivable loan of £224,000 as an investment, and an investment of £179,000 into a receivable loan. The goodwill has been calculated based on these 30 September 2014 disclosures, on the basis of a 100per cent. shareholding purchase cost of cash and shares, total value of £7,664,000 and the net assets of GIS of £2,553,000. Please note this is an estimated indicative goodwill calculation, and not the final value on completion.
3. The receipt of the proposed Subscription proceeds of £1,700,000, together with the debtor receipts of £732,000 on completion, and the Directors' estimated cash costs of acquisition, £1,500,000, and admission costs of £457,000, resulting in a cash positive adjustment of £475,000.

Part VII

Additional Information

1 Responsibility

- 1.1 The Directors, whose names appear in paragraph 5.4 of this Part VII, and the Company, accept responsibility, both individually and collectively, for the information contained in this document other than information for which responsibility is taken by other persons pursuant to paragraphs 1.2 and 1.3 below. To the best of the knowledge and belief of the Directors, the Proposed Directors and the Company (having 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.
- 1.2 Each of the members of the Concert Party, whose names are set out in paragraph 1 of Part II of this document, accept responsibility for the information contained in this document relating to himself or itself. To the best of the knowledge and belief of each member of the Concert Party (having 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 does not omit anything likely to affect the import of such information.
- 1.3 Chapman Davis LLP accepts responsibility for its reports set out in Parts IV, V and VI of this document and for any information sourced from those reports in this document. To the best of the knowledge and belief of Chapman Davis LLP (which has taken all reasonable care to ensure that such is the case) the information contained therein is in accordance with the facts and does not omit anything likely to affect the import of such information.

2 The Company

- 2.1 The Company was incorporated and registered on 17 April 2007 in England and Wales as a public limited company with the name Boss Monitoring Group plc under registered number 06214926. On 10 May 2007 it changed its name to SureTrack Monitoring plc. The Company initially focussed on asset protection, cash security, crime deterrent and tracking businesses. The Company was first admitted to AIM in 2010.
- 2.2 In October 2013 the Company disposed its operating subsidiary, IBP Limited (“**IBP**”) and the Company became an investing company under the AIM rules. At the same time the Company changed its name to from Suretrack Monitoring plc to Octagonal PLC and changed its TIDM from “STK” to “OCT”. The Company raised approximately £1.50 million to strengthen the Company’s balance sheet and provide funds that are to be invested in accordance with the Company’s investing policy.
- 2.3 The liability of the members of the Company is limited.
- 2.4 The registered office of the Company is Suite 3B, 38 Jermyn Street, London, SW1Y 6DN and its telephone number is 0207 440 0640.
- 2.5 The ISIN (International Security Identification Number) of the Company is GB00BDD2DY82.
- 2.6 The principal legislation under which the Company operates is the Companies Act 2006 and the regulations made thereunder.
- 2.7 The accounting reference date of the Company is the last day of March.
- 2.8 The Company’s principal activity is that of a holding company as well as performing all administrative, strategic and governance functions for the group.

- 2.9 As at the date of this document, the Company has no subsidiaries. Following completion of the Acquisition, the structure of Enlarged Group will be as follows:



3 Share Capital of the Company

- 3.1 On 30 September 2014, being the first day of the period required to be disclosed in this document as required under paragraph 21 of Annex I of the Prospectus Rules (as applied to AIM quoted companies by Schedule Two to the AIM Rules for Companies), the issued share capital of the Company was 822,410,088 ordinary shares of 0.05p each.
- 3.2 The history of the Company's share capital from April 2007 to April 2015 is:
- (a) The Company was incorporated with a share capital of £5,000 comprising 500,000,000 ordinary shares of 1 pence.
 - (b) On 2 July 2007 the Company allotted:
 - (i) 28,695,000 ordinary shares of 1 pence to Wallaceton Investments Inc; and
 - (ii) 1,305,000 ordinary shares of 1 pence to October Investments Limited.
 - (c) On 25 April 2008 the Company issued and allotted:
 - (i) 3,896,000 ordinary shares of 1 pence to Matthew Paul Alexander Thompson; and
 - (ii) 9,300,000 ordinary shares of 1 pence to Manley Holdings Limited.
 - (iii) At the end of 2008 filed a return indicating it had 244,800,000 shares in issue and a nominal value of issued shares of 2,448,000.
 - (d) On 8 September 2008 the Company issued and allotted:
 - (i) 7,500,000 ordinary shares of 1 pence to Hoodless Brennan plc; and
 - (ii) 10,00,000 ordinary shares of 1 pence to Pershing Nominees Limited.
 - (e) On 29 September 2008 the Company issued and allotted 10,000,000 ordinary shares of 1 pence to Manley Holdings Limited.
 - (f) On 19 March 2009 the Company issued and allotted 96,987,000 ordinary shares of 1 pence to the vendors in the acquisition of IBP.
 - (g) On 21 May 2009 the Company issued and allotted 1,160,000 ordinary shares of 1 pence to Pershing Nominees Limited.
 - (h) On 1 July 2009 the Company issued and allotted 4,000,000 ordinary shares of 1 pence to Pershing Nominees Limited.

- (i) On 21 September 2009 the Company issued and allotted 12,500,000 ordinary shares of 1 pence to Pershing Nominees Limited.
- (j) On 2 August 2010 the Company sub-divided its share capital from 400,281,000 ordinary shares of £0.001 to be 400,281,000 ordinary shares of 0.05p and 400,281,000 deferred shares of 0.95p as at that date the company had an aggregate nominal value of £4,002,810.
- (k) On 3 August 2010 the Company issued and allotted 261,066,670 ordinary shares of 0.05p.
- (l) On 5 March 2012 by way of special resolution the Company cancelled all of the 400,281,000 deferred shares of £0.0095 and subsequently approved by the High Court. As at this date the Company stated it had a share capital of 736,347,670 shares of 0.05p.
- (m) On 26 November 2012 the Company purchased 117,538,809 of its own ordinary shares of £0.0005 for total aggregate amount of £188,062.00
- (n) On 2 October 2013, at the same time as the disposal of IBP, the Company undertook a capital reorganisation and fundraising. The existing ordinary shares of 0.05p each were consolidated into ordinary shares of 0.55p each at a ratio of 11 existing ordinary shares for every 1 new ordinary share of 0.55p each; and each of the new ordinary shares of 0.55p each was then subdivided into and reclassified as one New Ordinary Share (being an ordinary share in the capital of the Company with a nominal value of 0.05p each) and one Deferred Share (being a deferred share in the capital of the Company of 0.50p nominal value). The Deferred Shares carry negligible value and were not be admitted to trading. The Deferred Shares have limited rights, and are subject to the restrictions, set out in the Company's articles of association.
- (o) On 2 October 2013, the Company raised £250,021 before expenses by way of an issue of 250,021,404 new ordinary shares at an issue price of 0.1p per ordinary share.
- (p) On 3 January 2014, the Company issued 4,000,000 ordinary shares of 0.05p each at a price of 0.525p per share to a former employee in lieu of amounts owing to him.
- (q) On 7 February 2014, the Company raised £670,000 before expenses by way of the subscription for 223,333,334 new ordinary shares of 0.05p each at a subscription price of 0.30p per share.
- (r) On 28 February 2014, the Company raised £550,000 before expenses through the subscription for 183,333,333 new ordinary shares of 0.05p each at a price of 0.30p per share.
- (s) On 15 July 2014, the Company issued 31,466,666 ordinary shares of 0.05p each following receipt of notices to exercise warrants.
- (t) On 22 September 2014, the Company issued 74,000,000 ordinary shares of 0.05p each at par value per share to the Company's employee benefit trust called Octagonal Employee Benefit Trust.
- (u) On 7 November 2014, the Company raised £500,000 before expenses through the subscription for 166,666,667 new ordinary shares of 0.05p each at a price of 0.30p per share.
- (v) On 25 November 2014, the Company issued 1,000,000 new ordinary shares of 0.05p each at 0.30p per share following the exercise of warrants.
- (w) On 21 January 2015, the Company issued 203,021,404 new ordinary shares of 0.05p each at 0.1p per share following the exercise of warrants.

3.3 At the date of this document, the Company has:

- (a) an issued share capital of £596,549.08 comprising 1,193,098,159 Existing Ordinary Shares; and
- (b) outstanding warrants to subscribe for 3,666,663 new Ordinary Shares.

- 3.4 Immediately following the completion of the Acquisition and Admission, the Company will have:
- (a) an issued share capital of £280,113.44 comprising 560,226,886 issued New Ordinary Shares; and
 - (b) outstanding warrants to subscribe for 333,333 New Ordinary Shares.
- 3.5 Save in connection with the Acquisition or as otherwise referred to in this Part VI of this document, since 30 September 2014 (being the date of the most recent balance sheet of the Company included in the historical financial information):
- (a) no share or loan capital of the Company is proposed to be issued or is under option or agreed, conditionally or unconditionally, to be put under option;
 - (b) 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 other consideration to any person;
 - (c) no person has preferential subscription rights in respect of any share or loan capital of the Company;
 - (d) no commissions, discounts, brokerages or other special terms, have been granted by the Company in connection with the issue or sale of any share or loan capital of the Company;
 - (e) neither the Company nor any of its subsidiaries hold any of Existing Ordinary Shares;
 - (f) the Company has no convertible debt securities, exchangeable debt securities or debt securities with warrants in issue; and
 - (g) there are no acquisition rights or obligations over the unissued share capital of the Company and there is no undertaking to increase the share capital of the Company.
- 3.6 The Company has no issued Ordinary Shares that are not fully paid up.
- 3.7 The Ordinary Shares have no redemption or conversion provisions.
- 3.8 The Ordinary Shares are in registered form and may be held either in certificated form or in uncertificated form through CREST. The Articles permit the Company to issue shares in uncertificated form.

4 Articles of Association

The Articles of Association contain, *inter alia*, the following provisions to the following effect:

Voting Rights

- 4.1 Subject to the Companies Act, the Articles of Association and any rights or restrictions attached to any shares, on a show of hands every member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative, or in either case is present by proxy not being himself a member entitled to vote, shall have one vote. Joint holders of a share shall have not more than one vote and the first named holder shall, if more than one named holder is present, be the person entitled to vote. On a poll every member present in person or by proxy shall have one vote for every share of which he is the holder. If an order of court is made for the appointment of a receiver in respect of a member or other person to represent a member on the ground of mental disorder, the receiver or other person may on behalf of that member exercise the right of voting (in person or by proxy) at a general meeting.
- 4.2 The holders of Deferred Shares shall have no right to receive notice of, or attend and vote at, any general meeting of the Company.

Annual General Meeting and General Meetings

- 4.3 An Annual General Meeting and any General Meeting at which it is proposed to pass a special resolution or a resolution of which special notice has been given to the Company, shall be given by 21 days' notice in writing at least and any other General Meeting by 14 days' notice in writing at least. The period of notice shall in each case be exclusive of the day on which it is served or deemed to have been served and of the day on which the meeting is to be held and shall be given in the manner hereinafter mentioned to the auditors, all the Directors and all members other than such as are not, under the provisions of the Articles of Association entitled to receive such notices from the Company.

- 4.4 Pursuant to the Companies Act, notwithstanding that a general meeting has been called by a shorter notice than that specified above, such general meeting shall be deemed to be duly called if it is so agreed:
- 4.5 in the case of an Annual General Meeting by all the members entitled to attend and vote thereat; and
- 4.6 in the case of an General Meeting by a majority number of the members having the right to attend and vote, being a majority together holding not less than 95 per cent. In nominal value of the shares given that right.
- 4.7 A notice calling a general meeting shall specify the place and the day and hour of the meeting, and there shall appear with reasonable prominence in every such notice a statement that a member entitled to attend and vote is entitled to appoint a proxy or proxies to attend and, on a poll, vote instead of him and that a proxy need not be a member of the Company.
- 4.8 The notice shall specify the general nature of the business to be transacted at the meeting and if any resolution is to be proposed as an extraordinary resolution or as a special resolution, the notice shall contain a statement to that effect.

Dividends

- 4.9 Subject to the provisions of the Companies Act the Company may by ordinary resolution declare dividends to be paid to the members according to their respective rights and interests, but no dividends should exceed the amount recommended by the Directors. Subject to the provisions of the Act, and provided there is no preferential dividend in arrears on a share, the Directors may pay such interim dividends as appear to them to be justified by the profits of the Company available for distribution. No dividend shall be payable except under the profits of the Company. If and insofar as the Directors believe the profits of the Companies justify such payments, the Directors may pay fixed dividends on any class of shares on fixed dates on the half yearly or other dates prescribed for the payment thereof.
- 4.10 All dividends shall be declared pro-rata and paid according to the amount paid on the shares in respect of which the dividend is paid, but no amount paid on a share in advance of calls shall be treated as paid up on the share. All dividends shall be apportioned and paid proportionately to the amounts paid on their shares during any portion of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly.
- 4.11 No dividend or other monies payable by the Company or in respect of any share shall bear interest against the Company. Any general meeting declaring a dividend or bonus may direct payment of such dividend or bonus wholly or partly by the distribution of specific assets and in particular of paid up shares or debentures of any other Company or in any one or more of those ways.
- 4.12 With the authority of an ordinary resolution the Directors may offer rights of election to ordinary shareholders to receive in lieu of dividend, or part thereof, an allotment of new ordinary shares credited as fully paid. The authority of such ordinary resolution may extend to dividends declared or paid prior to the fifth Annual General Meeting of the Company occurring after the passing of that resolution, but no further. The Directors may allot shares pursuant to this power so that the value of the ordinary shares allotted in lieu of the amount of dividends shall equal such amount, on the basis that the value of an ordinary share shall be average of the middle market quotations of an ordinary share on the Stock Exchange, as derived from the Daily Official List of the Stock Exchange, on each of the first five business days on which the ordinary shares are quoted "ex" the relevant dividend and the four subsequent business days.
- 4.13 Subject to the provisions of the Companies Act, where any business or property is bought by the Company as from a past date the profits and losses thereof as from such date may, at the discretion of the Directors in whole or in part, be carried to revenue account and treated for all purposes as profits or losses of the Company.
- 4.14 All dividends unclaimed for a period of 12 years after having become due shall be forfeited and shall (unless the Directors otherwise resolve) revert to the Company.

- 4.15 The holders of Deferred Shares shall have no right to receive dividends or otherwise participate in the profits of the Company.

Distribution of Assets on a liquidation

- 4.16 On a return of capital on a winding up, any surplus asset will belong to the holders of the Ordinary Shares according to the number of shares held by them in proportion to the amount paid up on the Ordinary Shares held by them. In addition, the liquidator may with the authority of an extraordinary resolution and any other sanction required by the Companies Act, provide the members in kind the whole or any part of the assets of the Company. For this purpose the liquidator may set such value as he deems fair upon any class or classes or property and may determine how the division is carried out between the members or different classes of members. No contributory shall, however, be compelled to accept any asset in respect in which there is a liability.

Transfer of Shares

- 4.17 Subject to the restrictions referred to below, any member may transfer all or any of his certificated shares by instrument in writing in any usual or common form, or in such other form as the Directors may approve. In the case of transfer of uncertificated shares through CREST this must be in accordance and subject to be relevant regulations from time to time. The Directors may refuse to register a transfer of any share in uncertificated form to a person who is to hold it thereafter in certificated form, in any case where under such regulations the Company is entitled to refuse to register the transfer or is excepted from the requirement to register the transfer. In the case of certificated shares the Instrument of transfer shall be signed by or on behalf of the transferor and, in the case of a party paid up share, by or on behalf of the transferee.
- 4.18 The Directors may, in their absolute discretion and without assigning any reason, refuse to register a transfer of any shares, not being a fully paid up share, or being in respect of a share in which the Company has a lien, provided that the Director shall not exercise their discretion in such a way as to prevent dealings in shares admitted to listing or trading on the London Stock Exchange taking place on an open and proper basis. They may also refuse to register any transfer of any share (whether fully paid or not) to be held jointly by more than 4 persons, a minor or a person who is not a legal or natural person.
- 4.19 The Directors may also decline to register any instrument of transfer of a share in certificated form unless:
- (a) It is deposited duly stamped, at the registered office of the Company, or such other place as the Directors may appoint, accompanied by the certificate for the shares to which it relates and such other evidence as the Directors may require to show the right of the transferor to make the transfer; and
 - (b) it is in respect of only one class of certificated share.
- 4.20 If the Directors refuse to register a transfer, they must send to the transferee notice thereof within two months of the dates the transfer of shares in certificated purpose was deposited with the registrars for the time being or the date the Company received an instruction from the operator who is to hold uncertificated shares for a transferee in certificated form.

Rights attaching to the Deferred Shares

- 4.21 The holders of the Deferred Shares are not entitled to receive notice of or to attend (whether in person or by proxy) any general meeting of the Company, or to vote (whether in person or by proxy) on any resolution proposed at such a meeting.
- 4.22 The Deferred Shares are not entitled to receive any dividend out of the profits available for distribution or any other income or right to participate therein. On a distribution of assets on a winding-up or other return of capital (otherwise than on conversion or redemption of any shares in the Company), the holders of the Deferred Shares shall be entitled to receive the amount paid up on their shares, only after the holders of the Ordinary Shares have received £100,000,000 in respect of each Ordinary Share held by them. The Deferred Shares do not entitle the holders thereof to any further right of participation in the assets of the Company.
- 4.23 The Company is not required to issue any share certificates or other documents of title in respect of the Deferred Shares.

- 4.24 The rights attaching to the Deferred Shares are not varied or abrogated by the creation or issue of any new shares ranking in priority or *pari passu* with such shares. The Deferred Shares are cancellable by the Company without reference to the holders of the Deferred Shares, and the passage of a resolution for cancellation by reduction of capital requiring confirmation of the Court, or in compliance with the applicable legislation shall not vary or abrogate the rights attaching to the Deferred Shares.
- 4.25 The Deferred Shares can be purchased by the Company for an aggregate consideration of £1. The Company has irrevocable authority under the articles to appoint any person to appoint on behalf of the holders of the Deferred Shares a transfer or cancellation of the Deferred Shares (and/or an agreement to do the same), without payment to the holders of the Deferred Shares. Subject to compliance with the applicable legislation, the Company also has the right to cancel the Deferred Shares by way of a capital reduction for no consideration.

Purchase of Own Shares

- 4.26 Subject to the provisions to the Companies Act the Company may purchase its own shares (including any redeemable shares).

Issue and Allotment of Shares

- 4.27 Subject to the provisions to the Articles of Association relating to the authority to allot shares, the pre-emption rights of shareholders, and otherwise to any resolution of the Company in general meeting passed pursuant thereto, the unissued shares of the Company (whether forming part of the original or any increased capital) or rights to subscribe for or convert any security into shares, shall be under the control of the Directors who may offer, allot with or without conferring a right of renunciation, grant options over or otherwise dispose of them to such persons, on such terms and conditions and at such times as they shall think fit, but so that no shares shall be allotted at a discount.

Variation of Rights

- 4.28 Subject to the provisions of the Companies Act, all or any of the special rights and privileges attached to any share or class of shares may be varied or abrogated with the consent in writing of the holders of not less than three quarters in nominal value of the issued shares of that class (excluding treasury shares) or with the sanction of an extraordinary resolution passed by a separate meeting of the holders of the shares of that class.
- 4.29 Subject to the terms upon which any shares may be issued, the rights or privileges attached to any class of shares shall not be deemed to be varied or abrogated by the creation or issue of any new shares ranking *pari passu* in all respects with those already issued, or by the purchase or redemption by the Company of its own shares.

Changes in Share Capital

- 4.30 The Company may by ordinary resolution increase its share capital by such sum as the resolution describes. Subject to the Companies Act and to any rights for the time being attached to any shares, the Company may by special resolution reduce its share capital or any capital redemption reserve, shares premium account or other undistributed reserve in any manner. Subject to the Companies Act the Company may issue shares which are, or at the option of the Company or the holder are, liable to be redeemed and it may also purchase its own shares (including redeemable shares).

Directors

- 4.31 Unless otherwise determined by the Company by ordinary resolution the number of directors shall be not less than two and there shall be no maximum. A Director shall not require any shareholding qualification and shall not be required to retire on attaining any specific age.
- 4.32 A Director shall not vote on any resolution of the Directors, or of a committee of the Directors concerning any matter in which he has an interest which is material (otherwise than by virtue of his interest in shares, debentures or other securities of the Company, or otherwise than in or through the Company). A Director shall (in the absence of some material interest other than as indicated below) be entitled to vote on (and on the following matters be counted in the quorum in respect of) any resolution concerning any of the following matters:

- (a) the giving to him of a guarantee, security or indemnity in respect of money lent by him to, or an obligation incurred by him at the request of, or for the benefit of, the Company or any of its subsidiaries;
 - (b) the giving to the third party of a guarantee, security or indemnity in respect of an obligation of the Company or any of its subsidiaries for which the Director has assumed responsibility (in whole or part and whether alone or jointly with others) under a guarantee or indemnity or by the giving of security;
 - (c) the subscription or purchase by him of shares, debentures or other securities of the Company pursuant to an offer or invitation to members or debenture holders of the Company, or any class of them, or to the public or any section of the public,
 - (d) his being or intending to become, a participant in the underwriting or sub-underwriting of an offer of any shares, debentures or other securities of or by the Company or any of its subsidiaries for subscription, purchase or exchange;
 - (e) a proposal concerning any other body corporate in which he is interested, directly or indirectly, and whether as an officer, shareholder, creditor or otherwise howsoever, provided he is not the holder or beneficially interested in one per cent. or more of any class of the equity share capital of such body corporate (or any other body corporate through which his interest is derived, or of the voting rights available to the members of the relevant party corporate (any such interest being deemed for the purpose of the Articles of Association to be a material interest in all circumstances);
 - (f) a retirement benefit scheme which has been approved or is conditional upon approval, by the Board of HM Revenue & Customs for taxation purposes;
 - (g) any contract or arrangement for the benefit of employees of the Company or of any of its subsidiary which does not provide in respect of any Director as such any privilege or advantage not accorded to the employees to whom the contract or arrangement relates; or
 - (h) Insurance which the Company proposes to maintain or purchase for the benefit of Directors or for the benefit of persons who include the Directors.
- 4.33 If proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more directors to offices or employments of the Company or any body corporate in which the Company is interested, the proposals may be divided and considered in relation to each Director separately. In such case each of the Directors concerned (if not be barred from voting under the Articles of Association) shall be entitled to vote, and be counted in the quorum in respect of each resolutions except that concerning his own appointment.
- 4.34 If a question arises as to the materiality of a Directors interests or as to his entitlement to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting and his ruling in relation to any Director other than himself shall be final and conclusive, except in a case where the nature or extent of the interest of such Director has not been fairly disclosed. The Company may by ordinary resolutions suspend or relax to any extent, either generally or in respect in a particular matter, any provisions of the Articles of Association prohibiting a Director from voting at a meeting, or ratify any transaction not duly authorised by reason of contravention of any such provision.
- 4.35 The Directors shall be paid out of the funds of the Company by way of remuneration for their services as the Directors may determine. The Directors shall also be entitled to be paid all travelling, hotel and other expenses properly incurred by them in connection with the discharge of their duties as Directors of the Company. Any Director who at the request of the Board performs any special services or serves on any committee or performs any service which in the opinion of the Directors are outside the ordinary scope of his duties as a Director may receive such extra remuneration by way of salary, commission, participation in profits or otherwise as the Board determines.

- 4.36 Subject to the Companies Act the Directors may appoint one or more of their number to any executive offices under the Company for such period and on such terms as they see fit and the Directors may entrust to and confer upon any Director holding any executive office, any of the powers exercisable by them as Directors, upon such terms and conditions and with such restrictions as they see fit.
- 4.37 At each Annual General Meeting of the Company one third of the Directors shall be subject to retirement by rotation or if their number is not three or a multiple of three, then the number nearest but not more than one third shall retire from office, save that if their number is two one of them shall retire and if their number is one he shall retire.

Borrowing Powers

- 4.38 The Directors may exercise all powers of the Company to borrow money and to mortgage or charge any part of its undertaking property or its uncalled capital and to issue debentures and other securities, whether outright or as collateral security, for any debt, liability or obligation of the Company or of any third party.

Pensions and benefits

- 4.39 The Directors may pay, or agree to pay, gratuities, pensions or other retirement, superannuation, death or disability benefits to any Director or former Director, to his spouse or former spouse and to any other dependents, and may (before as well as after he ceases to hold such office), contribute to any scheme or fund and pay premiums for the purchase or provision of such benefits. In addition the Directors have the power to purchase and maintain insurance for the benefit of persons who are or were at any time Directors, officers or employees of the Company or any other company which is its holding company or in which the Company or such holding company has any interest whether direct or indirect or which is in any way allied to or associated with the Company or who are or were trustees of any pension fund or employees share scheme in which employees of the Company or any such other company or subsidiary undertaking are interested.

Untraced Shareholders

- 4.40 The Company may sell at the best price reasonably obtainable the shares of a member, or the shares to which a person is entitled by virtue of transmission on death or bankruptcy, if:
- 4.41 during the period of twelve years prior to the date of publication of the advertisements referred to below (or if published on different dates, the first date) being a period during which at least three dividends have been payable, all warrants and cheques in respect of the shares sent in the manner authorised by the Articles of Association have remained uncashed;
- 4.42 the Company on or after expiry of the period of 12 years has given notice via advertisement both in a national newspaper and in a newspaper circulated in the area in which the last known address of the member, or the address at which services of notices may be effected in the manner authorised by the Articles of Association, is located, of its intention to sell the shares; and
- 4.43 during the said period of twelve years and a period of three months following publication of the advertisement the Company has received no indication either of the whereabouts or of the existence of the member or person.

Notices

- 4.44 Notices may be served by the Company upon any member in writing either personally or by post to such members registered address or, under the provisions of the Electronic Communications Act 2001, to an email address as notified by the member to the Company. A member is not entitled to receive notices from the Company if his registered address in the register of members is outside the United Kingdom and he has not supplied to the Company either an address within the United Kingdom or an email address.

5 Directors' and Other Interests

- 5.1 The interests in Existing Ordinary Shares of the Directors, their respective immediate families and (so far as is known to the Directors or could, with reasonable diligence, be ascertained by them) the persons connected with them (within the meaning of section 252 of the Companies Act) all of which are beneficial, save where otherwise stated, as at the date of this document, and as they are expected to be immediately following Admission, are as follows:

Name	As at date of this document		On Admission	
	Number of Existing Ordinary Shares	Percentage of issued Existing Ordinary Shares	Number of New Ordinary Shares immediately following Admission	Percentage of Enlarged Issued Share Capital
Directors				
Grant Roberts	nil	nil	nil	nil
John Gunn	nil	nil	293,794,931	52.44%
Nilesh Jagatia	nil	nil	nil	nil
Martin Davison	nil	nil	nil	nil
David Lenigas	35,300,000	2.96%	9,200,001	1.64%
Jason Berry	nil	nil	nil	nil
Donald Strang	nil	nil	313,131	0.01%

- 5.2 On Admission, there will be no options and/or warrants over New Ordinary Shares held by the Directors.
- 5.3 Save as described in paragraphs 5.1 of this Part VII, none of the Directors (or any member of their respective families, nor any person connected with the Directors within the meaning of sections 252 to 255 of the Companies Act) has any interest, beneficial or non-beneficial, in the share capital of the Company.
- 5.4 Other than in relation to the Company, and the Directors currently hold, and have during the last five years immediately preceding the date of this document held, the following directorships or partnerships:

Director	Current	Past
<u>Proposed Directors</u>		
Grant Roberts	Dorismus plc Horse Hill Developments Limited Newgate Private Equity LLP Rodin Capital Limited Newgate CSP Partners LLP	Longwood Partners LLP CSP Topic LLP
John Gunn	Inspirit Energy Holdings plc Global Investment Strategy Limited Pinnacle Investment Management Limited Inspirit Energy Limited Somemore Limited Giex (Nominees) Limited	Solar Park 1 Limited Joyanatura Limited Snowgun Limited Biomass Energy Developments Limited Real Management Limited Pinnacle Capital Management Limited
Nilesh Jagatia	Inspirit Energy Holdings plc Global Investment Strategy Limited Clear Leisure plc Teathers Financial plc NKJ Associates Limited Limitless Earth plc Ascend Capital plc	Media Corporation plc Flight Comparison Limited Result Online Limited Online Flight Comparison Limited

Director	Current	Past
	Teather Financial Software Ltd Mediapolis SPA	
Martin Davison	None	Guards Polo Club Holdings
<u>Existing Directors</u>		
Donald Strang	Polemos plc Stellar Resources plc AfriAg plc Doriemus plc Rare Earth Minerals plc UK Oil & Gas Investments plc Evocutis plc Central African Investments plc Jubilee Gold Limited Naturally Wright Limited Rare Earth Resources Limited Solo Oil Plc UKOG (GB) Limited UKOG Solent Limited UKOG Weald Limited	LGO Energy plc (formerly Leni Gas & Oil plc) Lonrho Limited (formerly Lonrho plc) Leni Trinidad Ltd Compania Petrolifera de Sedano S.L.
Jason Berry	UK Oil & Gas Investments plc Stoke Capital Limited Jberry Consulting Limited	Circle Opportunities plc
David Lenigas	Active Resource Realisation Fund AfriAg plc (formerly 3D Resources plc) AfriAg Limited (formerly Buchanist Limited) AfriAg Holdings (Pty) Limited AfriAg Marketing (Pty) Limited AMKI Investments Limited Bacanora Minerals Limited Central African Investments plc Emy Services MC Sarl Evocutis plc Horse Hill Developments Limited Inspirit Energy Holdings plc Leni Gas Cuba Limited Leni Gas and Oil Limited (UK) Rare Earth Minerals plc Rare Earth Resources Ltd REM Mexico Limited Solo Oil International Limited UKOG Weald Limited UKOG (GB) Limited UKOG Solent Limited UK Oil & Gas Investments plc	Stellar Resources Plc Solo Oil plc LGO Energy plc (formerly Leni Gas & Oil plc) Leni Trinidad Ltd Compania Petrolifera de Sedano S.L. Lonrho Air Three (BVI) Limited Lonrho Aviation (BVI) Limited Lonrho Air (2) (BVI) Limited Five Forty Africa (BVI) Limited Lonrho Air Africa (BVI) Limited Lonrho Air (BVI) Limited Five Forty Aviation Limited FastJet plc Lucapa Diamond Company Ltd (formerly Lonrho Mining Limited) Reef Resources Limited River Diamond UK Limited Tanzania Machines Limited Tanzania Harvest Limited Lonrho Ports Ghana Limited Lonrho Ghana Ports Limited LonAgro (SS) Limited Lonrho Market Expansion Services Limited Benson Global Trading Limited RET Services Limited Rare Earth Resources Limited Lon Agro Tanzania Limited Yuagong (Pty) Limited Lonrho Hotels Nigeria Limited Lonrho Hotels SA Limited

Director	Current	Past
		<p>Lonrho Hotels Ghana Limited</p> <p>Lonrho Hotels Kenya Limited</p> <p>Lanitrim (Pty) Limited</p> <p>Caropix (Pty) Limited</p> <p>Lonrho Investments Limited (formerly Lonrho African (Investments) Ltd)</p> <p>Lonrho Support Limited (formerly Lonrho Holdings Limited)</p> <p>Swissta Holdings Limited</p> <p>Lonrho Plc (now Lonrho Limited)</p> <p>Lonrho Africa (Holdings) Limited</p> <p>Strenner Holdings Limited</p> <p>Lonrho Ports Limited</p> <p>Oceanfresh Seafoods (UK) Limited</p> <p>Lonrho Resources Ltd</p> <p>Lonrho Finance Ltd</p> <p>Lontel Ltd</p> <p>Lonrho Water Limited</p> <p>Fresh Direct Limited</p> <p>Lonrho Oil (Malawi) Limited</p> <p>Lonrho Infrastructure (BVI) Limited</p> <p>Lonrho Hotels Congo (BVI) Limited</p> <p>Indit Technology Distribution (Pty) Limited</p> <p>Complete Enterprise Solutions South Africa (Pty) Ltd</p> <p>Lonrho Hotels Management Services (BVI)Limited</p> <p>Lonrho Agriculture Angola Limited</p> <p>Rollex (Pvt) Limited</p> <p>Rollex (Pty) Limited</p> <p>e-Kwikbuild Housing Company (Pty) Limited</p> <p>Lonrho Management Services Limited</p> <p>Lonrho Zimbabwe Management Services (Pvt) Limited</p> <p>Lonrho Africa Management Services (Zimbabwe) Limited</p> <p>Lonrho Africa Motor Sales Limited</p> <p>Norse Air Limited</p> <p>South African Independent Liners Services (Pty) Limited</p> <p>Lonrho Africa Holdings BV</p> <p>Lonrho Springs BV</p> <p>Lonrho Air BV</p> <p>Lonrho Ports BV</p> <p>Lonrho Africa Hotels BV</p> <p>Lonrho Hotels BV</p> <p>Lonrho Hotels Mozambique BV</p> <p>Lonrho Africa Agribusiness BV</p> <p>Lonrho Africa Distributors BV</p> <p>Lonrho Africa Food Processing BV</p> <p>Lonrho Africa Motors BV</p> <p>Lonrho Distributors BV</p> <p>Lonrho Motors BV</p> <p>Lonrho Agribusiness Limited</p>

Director	Current	Past
		Laytons Offshore Limited
		Lonrho Equipment Limited
		Mozambique Machines Limited
		Crop Harvest Limited
		Oceanfresh Seafoods (Pty) Limited
		Cultivate Harvest Limited
		LAH Jersey Limited
		Protea Seafoods Limited
		Hotel Accommodation Limited
		Afex Holdings Limited
		Lonrho Water Limited
		Africa Expeditions Limited
		Africa Expeditions TZ Limited
		Africa Expeditions Uganda Limited
		Best In Tents Limited
		Global Horizons Limited
		Lonrho Hotels Limited
		LAH Mozambique Hotels Limited
		DRC Hotels Limited
		Lonrho Ports & Infrastructure Limited
		Lonrho Infrastructure Limited
		Lonrho Ports Limited
		LAH Jersey 2 Limited
		Fish On Line (Pty) Limited
		Lonrho Support Services Limited
		Lonrho Integrated Support Services Limited
		Lonrho Hotels (Holdings) Limited
		Lonrho Budget Hotels Limited
		Lonrho IT Limited
		LAH Jersey 3 Limited
		Lonrho Transport Limited
		Lonrho Logistics (Pty) Limited
		Luba Freeport Limited
		Lonrho South Africa (Pty) Limited
		Lonrho Management South Africa (Pty) Limited
		Lonrho Projects South Africa (Pty) Limited
		Lonrho Projects Consulting (Pty) Limited
		Lonrho Projects Agri (Pty) Limited
		Lonrho Energy (Pty) Limited
		Lonrho Securitec (Pty) Limited
		Lonrho Amathonga Hotels (Pty) Limited
		Swissta Mozambique Lda
		Sociedade Comercial Bytes & Pieces Limitada
		Cambria Africa plc (formerly LonZim plc)
		Blueberry International Services Limited
		Wardlaw (1989) Limited
		Le Har (Pvt) Limited
		Rex Mining (Pvt) Limited
		Peak Mines (Pvt) Limited

Director	Current	Past
		Gardoserve (Pvt) Limited Celsys Limited ForgetMeNot Africa Limited Lonzim Agribusiness (BVI) Limited Quickvest 525 (Pty) Limited Lonzim Air (BVI) Limited Southern African Management Services Paynet Limited African Solutions Limited Medalspot (Pvt) Limited Blueberry Print (Zambia) Limited Morningdale Properties (Pvt) Limited Lanuarna Enterprises (Pvt) Limited LonZim Hotels Limited Celsys Zambia Limited WS Foods (Pty) Ltd Linus Business Options (Private) Limited Firstfood Enterprises (Private) Limited Chenyakwaremba Farm (Private) Limited Leopard Rock Hotel Company (Pvt) Ltd Lyons Africa Holdings Limited Millchem Holdings Limited (formerly Lonzim Properties Limited) Lonzim Holdings Limited Micobe Property Development Limited Lonrho Properties Zimbabwe (Pvt) Ltd Sindu Properties (Private) Limited One Hundred & Seventeen Baines Avenue (Private) Ltd Sol Aviation Company Limited 670 Plc Zest Music Limited Zest Songs Limited Zest Entertainments Limited Reggae Tunes Limited Complete Enterprise Solutions Limited Aldeamento Turistico de Macuti, SARL Lonrho Auto Distributors Limited Textile Investment Company Limited Solo Oil (Argentina) Limited Vatukoula Gold Pty Ltd (formerly Westech Gold Pty Ltd) Vatukoula Finance Pty Ltd (formerly Westech Finance Pty Ltd) Vatukoula Australia Pty Ltd (formerly Westech Australia Pty Ltd) Zimbabwean Investments Ltd

Director	Current	Past
		Lonrho Springs Limited Lonzim Management Limited Templar Minerals Limited Vatukoula Gold Mines plc (formerly River Diamonds plc) Byron Energy Pty Ltd Lonrho Jersey Limited Lonrho Fresh Limited Galleon Resources Limited Lonrho Food Supply Chain Management Limited Lonrho Infra One UK Limited Polemos plc Buchanist Limited Compania Petrolifera de Sedano S.L. Templar Resources Limited LAH Jersey 3 Limited

- 5.5 The business address of each of the Existing Directors and Grant Roberts is Suite 3B, 38 Jermyn Street, London SW1Y 6DN and the business address of each of the Proposed Directors (save for Grant Roberts) is 2nd Floor, 2 London Wall Buildings, London EC2M 5PP.
- 5.6 Nilesh Jagatia was a director of Media Corporation plc from 24 October 2007 until 1 August 2012. On 23 July 2012, Media Corporation plc appointed liquidators in relation to its wholly owned subsidiary, Purple Lounge Limited, of which Media Corporation plc was also a corporate director. There was a shortfall of approximately US\$2.3 million. Media Corporation plc was the only substantial creditor and represented 83per cent. of the member shortfall. At creditors' and members' meetings of Media Corporation plc held on 8 May 2014, resolutions were passed for Media Corporation plc to enter into a company voluntary arrangement.
- 5.7 David Lenigas was a director of:
- 5.7.1 SA Independent Liner Services Pty Ltd ("**SAILS**") when it was placed into liquidation on 15 October 2008. SAILS was a subsidiary within the Lonrho Plc group of companies ("**Lonrho Group**"). A unanimous board resolution placed SAILS into liquidation, the Lonrho Group being the major creditor, within the liquidated business being shown as a discontinued activity in the historic financial statements in the Lonrho Group; and
- 5.7.2 Norse Air Limited ("**Norse**") which was placed into liquidation on 20 December 2010. At the point of liquidation, Norse was a wholly owned subsidiary within the Lonrho Group and was placed into liquidation by a unanimous board resolution of Norse, with this business being shown as a discontinued activity in the historic financial statements of Lonrho Group.
- 5.8 Grant Roberts is currently a member of Newgate CSP Partners LLP which is a dormant limited liability partnership in the process of a solvent dissolution.
- 5.9 John Gunn was appointed a director of Braingames Network Limited on 12 April 2000. On 3 July 2003 the company entered into voluntary creditors' liquidation and was subsequently dissolved on 18 June 2005 with no shortfall to creditors.
- 5.10 As at the date of this document and saved as set out in paragraphs 5.6 to 5.8 above, none of the Directors has:
- (a) any unspent convictions in relation to indictable offences; or
 - (b) been declared or made any individual voluntary arrangement; or
 - (c) been a director of a company at the time of or within the twelve months preceding any receivership, compulsory liquidation, creditors' voluntary liquidation, administration, voluntary arrangement or any composition or arrangement with creditors generally or any class of creditors; or

- (d) been a partner or in a partnership at the time of or within the twelve months preceding the partnership being subject to a compulsory liquidation, administration or partnership voluntary arrangement; or
- (e) had any asset subject to receivership or been a partner of any partnership at the time of or within the twelve months preceding any asset of such partnership being subject to a receivership; or
- (f) been subject to any public criticism by statutory or regulatory authorities (including recognised professional bodies), nor disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company.

6 Directors' Letters of Appointment, Service Agreements and Agreement for Services

6.1 Proposed Directors

6.1.1 Subject to completion of the Acquisition, the Proposed Directors will be appointed to the board of directors of the Enlarged Group with effect from Admission. The terms of the Proposed Directors are summarised below:

- (a) On 11 June 2015, Grant Roberts signed a letter of appointment with the Company under which he agreed to act as non-executive chairman of the Company from Admission. The services of Mr Roberts are supplied to the Company under the terms of a consultancy agreement between the Company and Rodin Capital Limited. Details of which are set out in paragraph 11 of this Part VII. The appointment of Mr Roberts is subject to re-appointment pursuant to the Company's articles of association. This appointment is with effect from Admission and will be for an initial term of twelve months and will continue unless terminated upon one month's written notice by the Company or Rodin Capital Limited, or otherwise in accordance with the agreement. Mr Roberts shall devote such time as is necessary for the proper performance of his duties to the Company. The fee payable by the Company for the provision of Mr Roberts's services under the consultancy agreement is £12,000 per annum.
- (b) On 11 June 2015, the Company entered into a conditional agreement for services with Pinnacle under which Pinnacle provides to the Company the services of John Gunn to be effective from Admission unless and until terminated by either party giving to the other not less than 12 weeks' prior written notice. The Company will pay to Pinnacle in connection with the provision of the services of Mr Gunn the amount of £240,000 per annum exclusive of VAT and to be payable in twelve equal monthly instalments.
- (c) On 11 June 2015, John Gunn entered into a service agreement with the Company under the terms of which he agreed to act as Chief Executive Officer of the Company with effect from Admission. The remuneration payable under this agreement is £12,000 per annum payable monthly in arrears with effect from Admission. The agreement is for an initial term of 12 months, and continues automatically thereafter unless terminated by either party giving not less than 3 months' prior written notice to the other. Mr Gunn is required to devote such time as may be reasonably required to enable him to carry out his duties to the Company under the terms of engagement. In addition, the agreement contains restrictive covenants commensurate for an executive director.
- (d) On 11 June 2015, Nilesh Jagatia entered into a service agreement with the Company under the terms of which he agreed to act as Finance Director of the Company with effect from Admission. The remuneration payable under this agreement is £12,000 per annum payable monthly in arrears with effect from Admission. The agreement is for an initial term of 12 months, and continues automatically thereafter unless terminated by either party giving not less than 3 months' prior written notice to the other. Mr Jagatia is required to devote such time as may be reasonably required to enable him to carry out his duties to the Company under the terms of engagement. In addition, the agreement contains restrictive covenants commensurate for an executive director.
- (e) On 11 June 2015, Martin Davison signed a letter of appointment with the Company under which he agreed to act as a non-executive director of the Company. The fee payable to Mr Davison under this letter of appointment is £12,000 per annum and the reimbursement of reasonable expenses incurred in performing his duties. The

appointment of Mr Davison is subject to re-appointment pursuant to the Company's articles of association. This appointment is with effect from Admission and is terminable by either party by giving the other 1 months' prior written notice following an initial term of 1 year.

6.2 The Existing Directors have held office with the Company as follows:

Name	Commencement of period of office
Donald Strang	22 November 2013
Jason Berry	16 July 2014
David Lenigas	5 May 2014

- 6.3 On 1 December 2014, Donald Strang entered into a letter of appointment with the Company to confirm the provision of his services as an executive director the Company for a fixed term of 12 months with effect from 22 November 2013 in consideration of £5,000 per month payable monthly in arrears. Thereafter the appointment may be terminated by either party by giving to the other 6 months' prior written notice. Mr Strang is required to devote 5 days a month on work for the Company. Subject to Admission, Mr Strang will resign from the Board and any accrued and payable fees under the agreement will be settled.
- 6.4 On 1 December 2014, Jason Berry entered into a letter of appointment with the Company to confirm the provision of his services as an executive director the Company for a fixed term of 12 months with effect from 16 July 2014 in consideration of £5,000 per month payable monthly in arrears. Thereafter the appointment may be terminated by either party by giving to the other 6 months' prior written notice. Mr Berry is required to devote 5 days a month on work for the Company. Subject to Admission, Mr Berry will resign from the Board and any accrued and payable fees under the agreement will be settled.
- 6.5 On 1 December 2014, David Lenigas entered into a letter of appointment with the Company to confirm the provision of his services as a non-executive director the Company for a fixed term of 12 months with effect from 5 June 2014 in consideration of £5,000 per month payable monthly in arrears. Thereafter the appointment may be terminated by either party by giving to the other 6 months' prior written notice. Mr Lenigas is required to devote 5 days a month on work for the Company. Subject to Admission, Mr Lenigas will resign from the Board and any accrued and payable fees under the agreement will be settled.
- 6.6 Save as disclosed in this document, there is no contract or arrangement to which the Company is a party and in which any Director is materially interested and which is or was unusual in its nature or conditions or significant in relation to the business of the Enlarged Group and no amount or benefit has been or is intended to be paid or given to any promoter of the Company. Further, save as disclosed in this document, no Director is entitled to any benefits or payments from the Company on termination of his employment.
- 6.7 No loans made or guarantees granted or provided by the Company or any member of the Enlarged Group to or for the benefit of any Director are outstanding.
- 6.8 The aggregate remuneration (including any contingent or deferred compensation) payable and benefits in kind granted to Directors was £168,000 for the financial period ending 30 September 2014 under arrangements in force at the date of this document.

7 Significant Shareholders

- 7.1 As at the date of this document and on Admission, save for the interests of the Directors, which are set out in paragraph 5 above, the Company is aware of the following persons who are or will hold, directly or indirectly, voting rights representing 3 per cent. or more of the issued share capital of the Company to which voting rights are attached:

Name	As at the date of this document		On Admission	
	Number of Existing Ordinary Shares	Percentage of issued Ordinary Share capital	Number of New Ordinary Shares	Percentage of Enlarged Issued Share Capital
Beaufort Nominees Limited	123,481,223	10.35%	11,225,566	2.00%
Mrs Viktoria Maslennikova	88,000,000	7.38%	8,000,000	1.43%
Vidacos Nominees Limited	78,666,667	6.59%	7,151,515	1.28%
Redmayne (Nominees) Limited	76,100,000	6.38%	6,918,182	1.23%
Forest Nominees Limited	75,020,454	6.29%	6,820,041	1.22%
Principal Nominees Limited	60,522,076	5.07%	5,502,007	0.98%
W B Nominees Limited	58,308,333	4.89%	5,300,758	0.95%
Barclayshare Nominees Limited	51,719,810	4.33%	4,701,801	0.84%
FITEL Nominees Limited	43,334,000	3.63%	3,939,455	0.70%
SVS (Nominees) Limited	37,278,000	3.12%	3,388,909	0.60%
John Gunn	Nil	Nil	293,794,931	52.44%
Corstone Capital Partners LLC	Nil	Nil	37,175,256	6.64%
Ascend Capital Plc	Nil	Nil	27,500,000	4.91%

- 7.2 All Shareholders have the same voting rights.
- 7.3 To the best of the Directors' knowledge, the Company is not directly or indirectly owned or controlled by any Shareholder.

8 UK Taxation

8.1 Introduction

The following paragraphs are intended as a general guide only for Shareholders who are resident in the United Kingdom for tax purposes, holding Ordinary Shares as investments and not as securities to be realised in the course of a trade, and are based on current legislation and HMRC practice. Any shareholder who is also an employee may also be subject to the employment related securities rules.

Any prospective subscriber for, or purchaser of, Ordinary Shares who is in any doubt about his tax position or who is subject to taxation in a jurisdiction other than the UK should consult his own professional adviser immediately.

8.2 The Company

The Company will be regarded as resident in the United Kingdom for United Kingdom Corporation Tax purposes. Accordingly, the Company will be liable to account for United Kingdom Corporation Tax on its income and/or chargeable gains, as appropriate.

8.2 Income Tax

Taxation of dividends

Under current UK tax legislation, no amounts in respect of tax will be withheld at source from dividend payments made by the Company.

A dividend paid to a non-corporate Shareholder is treated as being paid with a tax credit equal to one ninth of the net dividend. Thus there will be a tax credit of 10 per cent on the gross dividend, that gross dividend being equal to the sum of the net dividend and the accompanying tax credit.

Individual Shareholders whose income is within the basic rate band will be liable to tax at 10 per cent on their gross dividend income and the tax credit will therefore satisfy their income tax liability on UK dividends.

Individual Shareholders who are liable to income tax at the higher rate will be charged to tax at 32.5 per cent on their gross dividend income. After taking account of the 10 per cent tax credit, this will represent additional tax of 25 per cent of the net dividend received.

Individual Shareholders who are liable to income tax at the additional rate, and the trustees of UK trusts, will be charged to tax at 37.5 per cent on their gross dividend income. After taking account of the 10 per cent tax credit, this will represent additional tax of circa 30.6 per cent of the net dividend received.

Subject to certain exceptions for certain insurance companies, for companies which hold shares as trading stock, and for tax avoidance arrangements, a UK resident corporate Shareholder that receives a dividend paid by the Company will not be taxed on the dividend.

Persons who are not resident in the UK should consult their own tax advisers on whether or not they can benefit from all or part of any tax credit and what relief or credit may be claimed in the jurisdiction in which they are resident.

8.3 Taxation on capital gains for shareholders

If a Shareholder who is a UK individual or a trustee of a UK trust disposes of all or some of his Ordinary Shares, a liability to UK capital gains tax may arise. The extent of the tax liability on any gains which may arise will depend on the availability of the annual capital gains tax exemption and any other tax relief such as existing capital losses.

A UK resident corporate Shareholder holding shares as an investment will be subject to corporation tax on any gain arising, subject to potential mitigation by indexation allowance and losses available for relief.

Shareholders who are not resident in the UK for tax purposes may not, depending on their personal circumstances, be liable to UK taxation on chargeable gains arising from the sale or other disposal of their Ordinary Shares (unless they carry on a trade, profession or vocation in the UK through a branch or agency with which their Ordinary Shares are connected). Individual Shareholders who are temporarily not UK resident may also be liable to UK capital gains tax on chargeable gains realized on their return to the UK.

8.4 Inheritance Tax

The value of the shareholding will be subject to IHT in the event of death or a chargeable lifetime transfer at rates up to 40 per cent., subject to any available exemptions or other reliefs. In particular, business property relief may be available provided the shares are held for the required holding period, and are not also listed on another exchange.

8.5 Stamp duty and stamp duty reserve tax ("SDRT")

Under current law, no stamp duty or SDRT will be payable on the issue of ordinary shares pursuant to the Placing.

Since 28 April 2014, neither stamp duty nor SDRT applies to trades in ordinary shares made on a recognised growth market, such as AIM provided they are not also listed on another exchange which is not a recognised growth market.

The information in this section is intended as a general summary of the UK tax position and should not be construed as constituting advice. Potential investors should obtain advice from their own investment or taxation adviser.

9 Other relevant laws and regulations

9.1 Disclosure of interests in shares

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. Pursuant to Part 22 of the Companies Act, the Company is empowered by notice in writing to require any person whom the Company knows, or has reasonable cause to believe to be or, 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.

9.2 Takeovers

As a public limited company incorporated and centrally managed and controlled in the UK, the Company is subject to the Takeover Code. Following the implementation of Part 28 of the Companies Act the Takeover Panel has statutory powers to enforce the Takeover Code in respect of companies whose shares are admitted to trading on AIM.

9.3 Mandatory bid

Under Rule 9 of the Takeover Code when (i) a person acquires an interest in shares which (taken together with shares in which he and persons acting in concert with him are interested) carry 30 per cent. or more of the voting rights of a company subject to the Takeover Code; or (ii) a person who, together with persons acting in concert with him, is interested in shares which in the aggregate carry not less than 30 per cent. and no more than 50 per cent. of the voting rights of a company subject to the Takeover Code, and such person, or any persons acting in concert with him, acquires an interest in any other shares which increases the percentages of the shares carrying voting rights in which he is interested, then in either case, that person together with the persons acting in concert with him, is normally required to extend a general offer in cash, at the highest price paid by him (or any persons acting in concert with him) for shares in the company within the preceding 12 months, to the holders of any class of equity share capital whether voting or non-voting and also to the holders of any other class of transferable securities carrying voting rights not already held by them.

9.4 Squeeze-out

Under the Companies Act, an offeror which makes a takeover offer for the Company has the right to buy out minority Shareholders where it has acquired (or unconditionally contracted to acquire) not less than 90 per cent. in value of the shares to which the offer relates and not less than 90 per cent. of the voting rights in the Company. It would do so by sending a notice to the outstanding minority Shareholders telling them that it will compulsorily acquire their shares. Such notice must be sent within three months of the last day on which the offer can be accepted. The notice must be made in the prescribed manner. The squeeze-out of the minority Shareholders can be completed at the end of six weeks from the date the notice has been given, following which the offeror can execute a transfer of the outstanding shares in its favour and pay the consideration to the Company, which would hold the consideration on trust for the outstanding minority Shareholders. The consideration offered to the outstanding minority Shareholders whose shares are compulsorily acquired under the Companies Act must, in general, be the same as the consideration that was available under the takeover offer.

9.5 Sell-out

The Companies Act also gives minority Shareholders a right to be bought out in certain circumstances by an offeror who has made a takeover offer for the Company, provided that at any time before the end of the period within which the offer can be accepted, the offeror has acquired (or unconditionally contracted to acquire) not less than 90 per cent. in value of the shares to which the offer relates and not less than 90 per cent. of the voting rights in the Company. A minority Shareholder can exercise this right by a written communication to the offeror at any time until three months after the period within which the offer can be accepted or a later date specified in the notice given by the offeror. An offeror would be required to give the remaining Shareholders notice of their rights to be bought out within the one month from the end of the period in which the offer can be accepted. The offeror may impose a time limit on the rights of the minority Shareholders to be bought out, but that period cannot end less than three months after the end of the acceptance period. If a Shareholder exercises his/her rights, the offeror is bound to acquire those shares on the terms of the offer or on such other terms as may be agreed.

10 Employees

10.1 As at the date of this document, the Company has no employees other than the Directors and the Company Secretary.

10.2 As from Admission, the Enlarged Group will have 14 employees other than the Directors, Proposed Directors and the Company Secretary.

11 Material Contracts

The following contracts, not being contracts entered into in the ordinary course of business, have been entered into by the Enlarged Group in the two years immediately preceding the date of this document and are, or may be, material or contain provisions under which any member of the Enlarged Group has any obligation or entitlement which is, or may be material.

Octagonal

11.1 *Acquisition Agreements with Vendors for sale and purchase of Global Investment Strategy not already owned by the Company*

On 11 June 2015, separate acquisition agreements were entered into by the Company (1) and each of the Vendors (2) pursuant to which the Company agreed to acquire the entire issued share capital of Global Investment Strategy (not already owned by the Company), conditional upon certain matters being satisfied including the passing of the Resolutions at the General Meeting, FCA Approval and Admission occurring. The total consideration payable to the Vendors on Admission is to be satisfied by the payment of £1,500,000 in cash, the allotment and issue of 336,136,132 Ordinary Shares at the Issue Price to the Vendors *pro rata* to their respective holdings in Global Investment Strategy. All of the acquisition agreements with the Vendors contain warranties in relation to title, capacity and authority in favour of the Company. In addition, John Gunn has given certain warranties customary for a transaction of this type in relation to the business, assets and operations of GIS and a tax indemnity in favour of the Company. Claims for breach of warranties against John Gunn are subject to certain *de minimis* and threshold provisions and a total aggregate cap of the purchase price he received under his acquisition agreement. Warranties relating to tax issues continue for the statutory limitation period from the completion of the Acquisition and the non-tax warranties continue for 24 months from completion of the Acquisition.

John Gunn has agreed that the cash element of the consideration that he is entitled to receive from the Company under his acquisition agreement will be used to settle the outstanding loan of £732,000 owing to GIS on Admission in the first instance and the balance (if any) will be paid to him.

11.2 *Introduction Agreement*

On 11 June 2015, the Company, the Directors, Northland Capital Partners and BCL entered into the Introduction Agreement. Under the terms of the Introduction Agreement, BCL has agreed to act, conditional on Admission, as the Company's nominated advisor in connection with the Admission and Northland Capital Partners have agreed to act as the Company's broker with effect from Admission.

For its services in connection with the Admission, BCL will be paid a corporate finance fee of £100,000 (plus VAT) and be issued with 2,300,000 New Ordinary Shares pursuant to the terms of the Introduction Agreement. Northland Capital Partners will be paid as detailed under their Broker Agreement. The Introduction Agreement contains provisions entitling BCL, in certain circumstances, to terminate the agreement at any time prior to Admission. If this right is exercised, the Admission will lapse. The agreement also contains warranties and indemnities to be given by the Company, together with warranties given by each of the Directors, in favour of BCL and Northland Capital Partners, which are customary in nature.

11.3 *Relationship Agreement*

On 11 June 2015, the Company, Northland Capital Partners, BCL and John Gunn executed the Relationship Agreement, as John Gunn will be the controlling shareholder of the Company on Admission. Pursuant to this agreement, John Gunn, amongst other matters, agrees that, conditional on Admission, all transactions and relationships between the Enlarged Group and himself or any person connected to him will be at arm's length and on a normal commercial basis. John Gunn also undertakes that for so long as he is a holder of 20 per cent. of the shares in the Company he shall not enter into, terminate or in any way later any commercial arrangements and/or relationships between the Enlarged Group and himself or any person connected to him unless a resolution sanctioning such action has been unanimously approved by the Board with John Gunn abstaining from voting in such

circumstances. In addition, John Gunn has undertaken not to vote in favour of any resolution put to the Company's Shareholders to cancel the Company's admission to AIM pursuant to AIM Rule 41 for a period of two years from Admission.

11.4 *Nominated Advisor Agreement*

On 11 June 2015, the Company entered into a nominated adviser agreement with BCL pursuant to which the Company appointed BCL to act as nominated adviser to the Company for the purposes of the AIM Rules for Companies for an initial period of one year commencing on the date Admission and continuing thereafter until terminated by either party by giving 30 days written notice. The Company has agreed to pay BCL an annual fee of £50,000 for its services as nominated adviser payable quarterly yearly in advance, as well as reimbursement of any out-of-pocket expenses.

11.5 *The Broker Agreement*

On 11 June 2015, the Company entered into a broker agreement with Northland Capital Partners pursuant to which the Company appointed Northland Capital Partners to act as nominated broker to the Company for the purposes of the AIM Rules for Companies for an initial period of one year commencing on the date of the agreement and continuing thereafter until terminated by either party by giving 30 days written notice. The Company has agreed to pay Northland Capital Partners an annual fee of £25,000 for its services as nominated broker payable half yearly in advance, as well as reimbursement of any out-of-pocket expenses.

11.6 *Lock-in Deed:*

On 11 June 2015, each of the Directors and the Vendors (with the exception of Corstone LLP and Suki Gunn) entered into the Lock-in Deed with the Company and BCL where each of them (with each acting on behalf of his respective related parties) ("**Locked In Parties**") agreed not to dispose of any interests in New Ordinary Shares held by them or by their related parties, as defined in the AIM Rules, for 12 months following Admission. On the expiry of such period and for a further 12 month period, each of the Locked-In Parties agreed not to dispose of any interest in New Ordinary Shares held by them or by their respective related parties unless through agreed orderly market arrangements.

The undertakings outlined above do not apply in certain specified circumstances, namely:

- in the event of an intervening court order;
- to the disposal by the personal representatives of any of the Directors who shall die before the end of the restricted period under the Lock-In Deed; or
- acceptance of an offer for all of the issued ordinary shares of the Company which is open to all shareholders and that (if accepted) would result in the offeror obtaining or consolidating control of the Company.

In addition, Corstone LLP and Suki Gunn have agreed not to, and to procure that their related parties will not, dispose of any interest in Ordinary Shares held by them unless such disposals are effected through the Company's broker so as to ensure an orderly market in the New Ordinary Shares for a period of 12 months following Admission.

11.7 Investors should note that the Company has agreed the following exercise of various options and warrants, conditional on Admission:

Exercise of Existing 0.1p Warrants

The holders of the Existing 0.1p Warrants have each exercised those warrants on the terms of a notice of exercise conditional only upon Admission occurring. The total number of Existing 0.1p Warrants exercised subject to Admission is 4,272,730 warrants at 1.1p per warrant on the basis that the Capital Reorganisation has been effected.

The notice of exercise of the Existing 0.1p Warrants dated 29 May 2015 provides that the exercise price for those warrants, amounting in aggregate to £47,000, is payable on Admission by the holders and that where holders have elected to receive their New Ordinary Shares in CREST that the respective CREST accounts will be credited on 19 June 2015 or where they have elected to receive their New Ordinary Shares in certificated form that such certificates will be despatched within fourteen days of Admission. In the event that Admission has not occurred by 31 July 2015 then the notice of exercise provides that it automatically lapses and is of no further force and effect. Following Admission there will be no Existing 0.1p Warrants outstanding and capable of exercise.

David Lenigas, an Existing Director and a member of the Concert Party, holds 2,272,728 Existing 0.1p Warrants, on the basis that the Capital Reorganisation has been effected, and has executed a notice of exercise to convert those warrants into New Ordinary Shares on the same terms as the other holders of Existing 0.1p Warrants as set out above. Subject to Admission occurring and in consideration for the payment of the exercise price for his Existing 0.1p Warrants in an amount of £25,000 he will be issued 2,272,727 New Ordinary Shares.

Cancellation of Existing Options

The holders of the Existing Options have agreed, on the terms of individual agreements dated on or about 29 May 2015 and entered into by each holder of an Existing Option and the Company, that conditional only upon Admission occurring they have agreed to the cancellation of their Existing Options in consideration for the issue to them of an aggregate amount of 5,848,485 New Ordinary Shares being a ratio of 1 New Ordinary Share issued for every 16.5 Existing Options cancelled. The total number of Existing Options cancelled under these agreements is 96,500,001 (being 8,772,730 options on the basis that the Capital Reorganisation has been effected).

The terms of the agreements entered into between the holders of the Existing Options and the Company provide for the cancellation of the Existing Options in consideration for an issue of New Ordinary Shares in the ratios as set out above and further provide that: with effect from Admission the Existing Options are terminated and rendered null and void and that all past, current or future obligations of either the Company or the holders of Existing Options are extinguished in full and final settlement. The holders of Existing Options give certain warranties to the Company as to title, ownership, authority and confirmation of no encumbrances as regards the Existing Options.

Donald Strang, an Existing Director, holds 469,697 Existing Options, on the basis that the Capital Reorganisation has been effected, and he has agreed to cancel those options in consideration for an issue of New Shares on the same terms as the other holders of Existing Options as set out above. Subject to Admission occurring and in consideration of the cancellation of his 469,697 Existing Options he will be issued 313,131 New Ordinary Shares.

Cancellation of Existing Warrants

The holders of the Existing Warrants have agreed, on the terms of individual agreements dated on or about 29 May 2015 and entered into by each holder of an Existing Warrant and the Company, that conditional only upon Admission occurring they have agreed to the cancellation of their Existing Warrants in consideration for the issue to them of an aggregate amount of 18,206,069 New Ordinary Shares being a ratio of 1 New Ordinary Share issued for every 22 Existing Warrants cancelled. The total number of Existing Warrants cancelled under these agreements is 401,200,001 (being 36,472,727 warrants on the basis that the Capital Reorganisation has been effected).

The terms of the agreements entered into between the holders of the Existing Warrants and the Company provide for the cancellation of the Existing Warrants in consideration for an issue of New Ordinary Shares in the ratio as set out above and further provide that: with effect from Admission the Existing Warrants are terminated and rendered null and void and that all past, current or future obligations of either the Company or the holder of Existing Warrants are extinguished in full and final settlement and the holders of Existing Warrants give certain warranties to the Company as to title, ownership, authority and confirmation of no encumbrances as regards the Existing Warrants.

David Lenigas, an Existing Director and a member of the Concert Party, holds 936,364 Existing Warrants, on the basis that the Capital Reorganisation has been effected, and he has agreed to cancel those warrants in consideration for an issue of New Shares on the same terms as the other holders of Existing Options as set out above. Subject to Admission occurring and in consideration of the cancellation of his 936,364 Existing Warrants he will be issued 468,182 New Ordinary Shares.

11.8 *Letter of Engagement with BCL:*

An agreement was entered into between the Company and BCL pursuant to the terms of an engagement letter dated 10 March 2015 under which BCL agreed to act as financial adviser to the Company and as from Admission, nominated adviser to the Company. In consideration for the provision of the services specified in the engagement letter, the Company agreed to pay BCL the following fees (plus any applicable VAT and disbursements):

11.8.1 an initial transaction fee of £30,000;

11.8.2 an amount of £20,000 on the publication of this document;

11.8.3 an amount of £50,000 on Admission; and

11.8.4 warrants exercisable at the Issue Price equal to 1per cent. of the Enlarged Issued Share Capital on Admission.

The above fees are based on the publication of the admission document by no later than 30 June 2015 and in the event that this does not occur, BCL reserves the right to charge additional monthly retainers of £10,000 (plus VAT thereon).

11.9 *Consultancy Agreement with Rodin Capital Limited*

On 29 May 2015, the Company entered into a consultancy agreement with Rodin Capital Limited to procure the services of Mr Grant Roberts as a non-executive director and chairman of the Company for an annual fee of £12,000 payable in equal monthly instalments plus VAT (if applicable). The agreement shall continue unless terminated by either party giving the other one month's written notice or otherwise under the terms of the agreement.

Global Investment Strategy

11.10 *Pinnacle Services Agreement*

On 1 October 2014, Global Investment Strategy entered into a agreement for consultancy services with Pinnacle. The fee for the provision of the services by Pinnacle is £240,000 per annum, payable in 12 monthly instalments of £20,000. The primary service provided by the agreement is the services of John Gunn. The agreement provides the services must be provided with care, skill and diligence required in accordance with the best practice in the industry and provide the company with adequately skilled and capable individuals to perform the consultancy services and ensure they are able to provide the services for a minimum of 8 hours per each working day. There is no minimum term specified in the agreement however it can be terminated on 30 days' notice by either side for no cause or terminated with immediate effect if there is a breach (not remedied within 21 days) of the agreement. It is intended that this agreement will be terminated upon Admission and be replaced with a new Pinnacle Agreement as referred to in 6.1 (b) of this Part VII.

11.11 *Inspirit Support Agreement*

On 4 March 2015, Global Investment Strategy entered into an agreement with Inspirit Energy Holdings plc ("Inspirit") to record and regularise the arrangement between them in relation to the provision of administration support services by Global Investment Strategy to Inspirit for an annual fee of £60,000 plus VAT payable in 12 equal monthly instalments. The agreement is terminable by either party giving to the other 3 months prior written notice.

11.12 *Pinnacle Loan Agreement*

By way of agreement dated 4 March 2015, Global Investment Strategy settled an outstanding loan owed by Pinnacle to Global Investment Strategy, valued at the sum of £240,000 by the transfer of 50,000 preference shares and 107 ordinary shares in City Golf Clubs Limited ("City Golf Clubs") together with the assignment of a loan to Global Investment Strategy in the amount of £160,763.34 owed by City Golf Clubs to Pinnacle. As a result, Global Investment Strategy holds 50,000 preference shares and 107 ordinary shares in City Golf Clubs and is also entitled to repayment of loan of £160,763.34 on demand from City Golf Clubs. There is no fixed repayment date for the loan but Global Investment Strategy will work with City Golf Clubs to agree a mutually agreeable date in the near term.

11.13 On 18 March 2015 Global Investment Strategy agreed to convert a prior investment in Amisud S.A, an Argentinian based agriculture company, into a debt owed to GIS totalling approximately US\$215,000. Amisud S.A is required to repay the debt to Global Investment Strategy in 4 installments beginning on 1 August 2015 with additional payments to be made

on 1 February 2016, 1 August 2016 and a final payment on 1 February 2017. Global Investment Strategy made this investment over 5 years ago and it is not part of its current activity. It has been agreed that the investment will not be rolled into any new harvest campaign so GIS will have no farming risk or local currency exposure.

Concert Party

There are no material contracts relating to any corporate entity within the Concert Party entered into outside of the ordinary course of business within the two years immediately preceding the date of this document.

12 Related party transactions

As far as the Directors are aware, there are no related party transactions that the Company has entered into during the period covered by the historical financial information set out in Part V and up to the date of this document save for the agreement between the Company and Pinnacle Investment Management Limited as described in paragraph 6.1.1 (b) of this Part VII and the agreements by two existing Directors, David Lenigas and Donald Strang to convert their Existing Warrants and options into New Ordinary Shares, as set out in paragraph 14 of Part I of this document. In addition, David Lenigas has agreed to subscribe for 3,250,000 New Ordinary Shares under the Subscription as set out in paragraph 12 of Part I of this document. John Gunn is the sole director and shareholder of Pinnacle Investment Management Limited.

13 Litigation

There are no governmental, legal or arbitration proceedings (including, to the knowledge of the Directors and the Proposed Directors, any such proceedings which are pending or threatened, by or against the Enlarged Group) which may have or have had during the 12 months immediately preceding the date of this document a significant effect on the financial position of the Company or any member of the Enlarged Group.

14 Working Capital

The Directors, are of the opinion, having made due and careful enquiry, that the working capital available to the Enlarged Group will be sufficient for its present requirements, that is for at least 12 months from the date of Admission.

15 Premises

Global Investment Strategy is a tenant of 2nd Floor, Number 2 London Wall Buildings, London EC2M 5PP. The property consists of 3,075 square foot. Under the terms of a non-cancellable tenancy at will, the annual rent of property is £61,500 per annum plus VAT. The Company has agreed a new 3 year tenancy with the City of London for the same premises with a revised rent of £99,940 per annum.

16 Third Party Information

16.1 The Company confirms that the information in this document which has been sourced from third parties has been accurately reproduced and that as far as it is aware and able to ascertain from information published by each of those parties, no facts have been omitted which would render the information reproduced inaccurate or misleading.

16.2 The source of the third party information is indicated on the relevant pages.

17 General

17.1 The financial information relating to the Company and its subsidiaries contained in Part 4 of this document has been prepared to 30 September 2014. Save as disclosed in this document and in Part V of this document, there has been no significant change in the trading or financial position of the Company and its subsidiaries since 30 September 2014.

- 17.2 The accounting reference date of the Company is 31 March each year. The Company will publish its audited accounts for the year ended 31 March 2015 by 30 June 2015. The Company will notify unaudited interim accounts for the six months ended 30 September 2015 by 31 December 2015. The Company will publish its audited accounts for the year ended 31 March 2016 by 30 September 2016.
- 17.3 The total costs and expenses payable by the Company in connection with or incidental to the Acquisition and Admission, including registration and London Stock Exchange fees, corporate finance, accountancy and legal fees, commissions due to certain introducers for procuring Subscribers, consulting and investor relation services and the costs of printing and despatching this document, are estimated to be approximately £470,000 (including VAT), all of which will be payable by the Company.
- 17.4 Save as disclosed in this document and save for payments totalling £25,000 paid to Cairn Financial Advisers LLP, no person (excluding professional advisers otherwise disclosed in this document and trade suppliers) has:
- (a) received, directly or indirectly, from the Company within 12 months preceding the date of this document; or
 - (b) entered into contractual arrangements (not otherwise disclosed in this document) to receive, directly or indirectly, from the Company on or after Admission any of the following:
 - (i) fees totalling £10,000 or more; or
 - (ii) securities in the Company with a value of £10,000 or more; or
 - (iii) any other benefit with a value of £10,000 or more at the date of Admission.
- 17.5 There have been no payments in excess of £10,000 made by or on behalf of the Company to any government or regulatory body with regard to the acquisition or maintenance of any of the Company's assets.
- 17.6 The Directors are not aware of any exceptional factors that have influenced the Company's activities.
- 17.7 No commission is payable by the Company to any person in consideration of his agreeing to subscribe for securities to which this document relates or of his procuring or agreeing to procure subscriptions for such securities.
- 17.8 No payment (including commissions) or other benefit has been or is to be paid or given to any promoter of the Company.
- 17.9 Save as disclosed in this document, there are no patents or other intellectual property rights, or particular contracts which are, or may be, of fundamental importance to the business of the Company.
- 17.10 Save as disclosed in this document in relation to the Acquisition, there are no investments in progress which are significant.
- 17.11 The Directors are not aware of any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Company's prospects for at least the current financial year.
- 17.12 Chapman Davis has given and not withdrawn its written consent to the issue of this document with the inclusion to their name in the form and context in which they appear and to the inclusion of its reports in this document and has authorised the contents of its accountants' report for the purposes of Schedule Two of the AIM Rules for Companies.
- 17.13 The Nominated Adviser and Rule 3 Adviser, Beaumont Cornish, which is authorised and regulated by the Financial Conduct Authority, has given and has not withdrawn its written consent to the issue of this document with the references to its name in the form and context in which they appear.
- 17.14 Northland Capital Partners has given and has not withdrawn its written consent to the issue of this document with the inclusion in it of references to its name in the form and context in which they appear.

17.15 The Issue Price of 2p represents a premium of 3,900 per cent. to the 0.05p nominal price of an Ordinary Share. The issue of the New Ordinary Shares on Admission in connection with the Proposals is expected to represent 80.6 per cent of the Enlarged Issued Share Capital.

18 Documents Available For Inspection

18.1 Copies of the following documents will be available for inspection during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the offices of the Company from the date of this document until one month from the date of Admission. The documents will also be available from the Company's website www.octagonalplc.com.

- (a) the Memorandum and Articles of Association of the Company;
- (b) the Memorandum and Articles of Association of Global Investment Strategy
- (c) the financial information on the Company referred to in Part IV of this document;
- (d) the financial information on Global Investment Strategy referred to in Part V of this document;
- (e) the unaudited *pro forma* statement of net assets of the Enlarged Group referred to in Part VI of this document;
- (f) the service contracts and letters of appointment of each of the Directors;
- (g) the written consents of Beaumont Cornish and Chapman Davis referred to in paragraphs 17.12 and 17.13 above;
- (h) the material contracts for Octagonal referred to in paragraph 11 above of this Part VII;
- (i) the irrevocable commitments referred to in paragraph 18 of Part I of this document; and
- (j) material contracts referred to Global Investment Strategy referred to in paragraph 11 above of this Part VII.

19 Availability of this document

Copies of this document are available free of charge from the Company's registered office and in electronic form at www.octagonalplc.com and for at least one month after Admission, at the offices of BCL during normal business hours on any weekday (Saturday, Sundays and public holidays excepted).

Date: 11 June 2015

OCTAGONAL PLC

(incorporated and registered in England with registered number 06214926)

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a General Meeting of Octagonal PLC (the “**Company**”) will be held at 10.00 a.m. on 29 June 2015 at 200 Strand, London WC2R 1DJ, for the purpose of considering and, if thought fit, passing the following resolutions of which will be proposed in the case of resolutions 1 to 4 (inclusive) as ordinary resolutions (of which Resolution 3 will be taken on a poll of Independent Shareholders) and in the case of resolution 5 (inclusive) will be proposed as a special resolution:

Terms used in this notice shall have the same meanings as defined in the circular to shareholders of the Company dated 11 June 2015 (“**Admission Document**”), unless the context requires otherwise.

ORDINARY RESOLUTIONS

- (1) **THAT**,
 - (a) each issued existing ordinary share of 0.05p each in the capital of the Company as shown on the Register of Members at 6.00 p.m. on 25 June 2015 (or such other time and/or date as the Directors may determine) be and is hereby consolidated at a ratio of 11 to 1 into new ordinary shares of 0.55p each having the same rights and being subject to the same restrictions (save as to nominal value) as the existing ordinary shares of 0.05p each in the capital of Company; and
 - (b) each new ordinary share of 0.55 p each in the capital of the Company then be sub-divided and reclassified into one new ordinary share of 0.05p having the same rights and being subject to the same restrictions as the existing ordinary shares in the capital of Company and one deferred share of 0.50 p (“**Deferred Share**”) having the rights and being subject to the restrictions attached to Deferred Shares as set out in the articles of association of the Company.
- (2) **THAT** for the purposes of Rule 14 of the AIM Rules for Companies, the proposed acquisition by the Company of Global Investment Strategy be hereby approved on the terms and conditions contained in the Acquisition Agreements dated 11 June 2015 between the Company and the Vendors as further described in the Admission Document with such amendments thereto as the Directors (or any duly constituted committee thereof) may consider appropriate.
- (3) **THAT**, subject to the passing of Resolution 2, the waiver granted by the Panel on Takeovers and Mergers of the obligation that would otherwise arise for the Concert Party to make a general offer to shareholders of the Company pursuant to Rule 9 of the Takeover Code on Takeovers and Mergers as a result of the issue of the Consideration Shares to the Vendors pursuant to the Acquisition along with the New Ordinary Shares issued pursuant to the conversion of warrants and options by David Lenigas and the New Ordinary Shares issued pursuant to David Lenigas’ participation in the Subscription, terms of which are set out in the Admission Document of which this notice forms part, be and is hereby approved.
- (4) **THAT**, subject to and conditional upon the passing of Resolution 1 to 3 (inclusive) above, the Directors be and they are hereby generally and unconditionally authorised for the purposes of section 551 of the Companies Act 2006 (the “**Act**”) to exercise all the powers of the Company to allot equity securities (as defined in section 560(1) of the Act) and/or grant rights to subscribe for or to convert any security into shares provided this authority shall be limited to:
 - (a) the allotment of 336,136,132 Consideration Shares pursuant to the Acquisition Agreements; and
 - (b) the allotment of equity securities and/or the granting of rights to subscribe for or to convert any security into shares (other than in sub-paragraph (a) above) to any person or persons up to an aggregate nominal amount of £100,000, being 35.70 per cent. of the Enlarged Issued Share Capital.

The authorities conferred by this Resolution shall expire at the conclusion of the next annual general meeting of the Company, provided that the Company may before such expiry make an offer or agreement which would or might require shares to be allotted or rights to subscribe for or convert securities into shares be granted after such expiry and the Directors may allot shares or grant rights to subscribe for or convert securities into shares in pursuance

SPECIAL RESOLUTION

(5) **THAT**, subject to the passing of Resolutions 1 to 4 (inclusive), and in accordance with section 570 of the Act, the Directors be and generally and unconditionally authorised, to allot equity securities (as defined in section 560 of the Act) pursuant to the authority conferred by Resolution 4, as if section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to:

- (a) the allotment of equity securities in connection with a rights issue, open offer or other offer of securities in favour of the holders of Ordinary Shares where the equity securities respectively attributable to the interests of all holders of Ordinary Shares are proportionate (as nearly as may be) to the respective number of Ordinary Shares held by them but subject to such exclusions or arrangements as the directors of the Company may deem necessary or expedient to deal with fractional entitlements arising or any legal or practical problems under the laws of any overseas territory or the requirements of any regulatory body or stock exchange;
- (b) the allotment of Ordinary Shares otherwise than pursuant to sub paragraph (5) (a) above up to an aggregate nominal amount of £100,000;

and provided that this power shall expire on conclusion of the next annual general meeting of the Company (unless previously renewed, varied or revoked by the Company in general meeting) 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 of the Company may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this Resolution has expired.

By Order of the Board

Donald Strang

Company Secretary

11 June 2015

Registered Office

Suite 3B
38 Jermyn Street
London
SW1Y 6DN

EXPLANATORY NOTES TO THE NOTICE OF GENERAL MEETING

Entitlement to attend and vote

- 1 Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 and paragraph 18(c) of the Companies Act 2006 (Consequential Amendments) (Uncertificated Securities) Order 2008, the Company specifies that only those members registered on the Company's register of members at:
 - 10.00 a.m. on 25 June 2015; 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.

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 any one share. To appoint more than one proxy you may photocopy your proxy card or contact the Company to obtain an extra proxy card on 0207 440 0640, or from outside the UK on +44 (0)207 440 0640. Lines are open Monday – Friday, 9.30 a.m. – 5.30 p.m.
- 5 A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.

Appointment of proxy using a proxy form

- 6 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 Share Registrars Limited of Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey, GU9 7LL;
 - received by Share Registrars no later than 10.00 a.m. on 25 June 2015;
 - proxies can be emailed to proxies@shareregistrars.uk.com; and
 - proxies can be faxed to 01252 719 232.

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. 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.

Appoint for proxy by joint members

- 7 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-name being the most senior).

Changing proxy instructions

- 8 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 apply 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 using the hard-copy proxy form and would like to change the instructions using another proxy form, please contact Share Registrars on 01252 821 390 (calls cost your nominal network charges), or from outside the UK: +44(0) 1252 821 390. Lines are open Monday – Friday, 8.30am – 5.30pm. 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 appointments

- 9 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 Share Registrars Limited of Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey, GU9 7LL 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. The revocation notice must be received by Share Registrars no later than 10.00 a.m. on 15 June 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. 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.

Corporate representatives

- 10 A corporation which is a member 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.

Issued shares and total voting rights

- 11 As at 6.00 p.m. on 10 June 2015, the Company's issued share capital comprised 1,193,098,159 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 6.00 p.m. on 10 June 2015 is 1,193,098,159.

Communication

- 12 You may not use any electronic address provided either in this notice of meeting; or any related documents (including the letter with which this notice of meeting was enclosed and proxy form) to communicate with the Company for any purposes other than those expressly stated.

Poll vote

- 13 In order to comply with the Takeover Code on Takeovers and Mergers, resolution 3 will be taken on a poll of Independent Shareholders.

