

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or as to the action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the FSMA, who specialises in advising on the acquisition of shares and other securities.

If you have sold or otherwise transferred all of your Existing Ordinary Shares, please immediately forward this document, together with the accompanying Form of Proxy, to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. If you have sold only part of your holding of Existing Ordinary Shares, please contact your stockbroker, bank or other agent through whom the sale or transfer was effected immediately.

The Directors (whose names and functions appear on page 4 of this document) accept responsibility, both collectively and individually, for the information contained in this document and compliance with the AIM Rules. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Existing Ordinary Shares are admitted to trading on AIM. Application will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings in the New Ordinary Shares will commence on 2 December 2015. New Ordinary Shares will, on Admission, rank *pari passu* in all respects with the Existing Ordinary Shares, and will rank in full for all dividends and other distributions declared, made or paid on Ordinary Shares after Admission.

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. 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. The London Stock Exchange has not itself examined or approved the contents of this document. Prospective investors should read this document in its entirety.

This document contains no offer of transferable securities to the public within the meaning of section 102B of the FSMA, the Act or otherwise. Accordingly, this document does not constitute a prospectus within the meaning of section 85 of the FSMA and has not been drawn up in accordance with the Prospectus Rules or approved by the FCA (in its capacity as UK Listing Authority or otherwise) or any other competent authority. It is emphasised that no application is being made for admission of the Existing Ordinary Shares, the New Ordinary Shares to the Official List of the United Kingdom Listing Authority. This document does not comprise an admission document under the AIM Rules and the London Stock Exchange has not itself examined or approved the contents of this document.

ATTRAQT GROUP PLC

(incorporated under the Companies Act 2006 and registered in England and Wales with company number 8904529)

Proposed Placing of 6,316,346 new Ordinary Shares at a price of 52 pence per Ordinary Share,

Accelerated Rule 9 Waiver

and

Notice of General Meeting

This document should be read as a whole. However, your attention is drawn to the letter from the Chairman of ATTRAQT Group plc (the “Company”) which is set out on pages 11 to 16 of this document and which contains the Directors’ unanimous recommendation that you vote in favour of the Resolutions to be proposed at the General Meeting.

Nplus1 Singer Advisory LLP (“N+1 Singer”), which is authorised and regulated in the United Kingdom by the FCA, is acting as nominated adviser and broker to the Company in connection with the Placing and will not be acting for any other person (including a recipient of this document) or otherwise be responsible to any person for providing the protections afforded to clients of N+1 Singer or for advising any other person in respect of the Placing or any transaction, matter or arrangement referred to in this document. N+1 Singer’s responsibilities as the Company’s nominated adviser and broker are owed solely to London Stock Exchange and are not owed to the Company or to any Director or to any other person in respect of his decision to acquire shares in the Company in reliance on any part of this document.

Apart from the responsibilities and liabilities, if any, which may be imposed on N+1 Singer by the FSMA or the regulatory regime established thereunder, N+1 Singer does not accept any responsibility whatsoever for the contents of this document, including its accuracy, completeness or verification or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company or the Placing. N+1 Singer accordingly disclaims all and any liability whether arising in tort, contract or otherwise (save as referred to above) in respect of this document or any such statement.

A notice convening a General Meeting of the Company, to be held at the offices of N+1 Singer, 1 Bartholomew Lane, London EC2N 2AX at 11.00 a.m. on 30 November 2015, is set out at the end of this document. To be valid, the accompanying Form of Proxy for use in connection with the General Meeting should be completed, signed and returned as soon as possible and, in any event, so as to reach the Company’s registrars, Capita Asset Services, PXS 1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF by not later than 11.00 a.m. on 26 November 2015. Completion and return of Forms of Proxy will not preclude Shareholders from attending and voting at the General Meeting should they so wish.

A copy of this document will be made available from the Company’s website, www.attraqt.com. Neither the content of the Company’s website nor any website accessible by hyperlinks to the Company’s website is incorporated in, or forms part of, this document.

IMPORTANT NOTICE

Cautionary note regarding forward-looking statements

This document includes statements that are, or may be deemed to be, “forward-looking statements”. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “plans”, “projects”, “anticipates”, “expects”, “intends”, “may”, “will”, or “should” or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include matters that are not historical facts. They appear in a number of places throughout this document and include statements regarding the Directors’ current intentions, beliefs or expectations concerning, among other things, the Group’s results of operations, financial condition, liquidity, prospects, growth, strategies and the Group’s markets.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Actual results and developments could differ materially from those expressed or implied by the forward-looking statements.

Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements in this document are based on certain factors and assumptions, including the Directors’ current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Group’s operations, results of operations, growth strategy and liquidity. Whilst the Directors consider these assumptions to be reasonable based upon information currently available, they may prove to be incorrect. Save as required by law or by the AIM Rules, the Company undertakes no obligation to publicly release the results of any revisions to any forward-looking statements in this document that may occur due to any change in the Directors’ expectations or to reflect events or circumstances after the date of this document.

These forward looking statements relate only to the position as at the date of this document. Neither the Directors nor the Company undertake any obligation to update forward looking statements, other than as required by the AIM Rules or by the rules of any other applicable securities regulatory authority, whether as a result of the information, future events or otherwise.

Notice to overseas persons

The distribution of this document and/or the Form of Proxy in certain jurisdictions may be restricted by law and therefore persons into whose possession these documents 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. By accepting this document you agree to be bound by the foregoing instructions and limitations.

The New Ordinary Shares have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, (the “**US Securities Act**”) and may not be offered, sold or delivered in, into or from the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. Subject to certain exemptions, this document does not constitute an offer of Ordinary Shares to any person with a registered address, or who is resident in, the United States. There will be no public offer in the United States. Outside of the United States, the New Ordinary Shares are being offered in reliance on Regulation S under the US Securities Act. The New Ordinary Shares will not qualify for distribution under the relevant securities laws of Australia, Canada, the Republic of Ireland, the Republic of South Africa or Japan, nor has any prospectus in relation to the New Ordinary Shares been lodged with, or registered by, the Australian Securities and Investments Commission or the Japanese Ministry of Finance. Accordingly, subject to certain exemptions, the New Ordinary Shares may not be offered, sold, taken up, delivered or transferred in, into or from the United States, Australia, Canada, the Republic of Ireland, the Republic of South Africa, Japan or any other jurisdiction where to do so would constitute a breach of local securities laws or regulations (each a “**Restricted Jurisdiction**”) or to or for the account or benefit of any national, resident or citizen of a Restricted Jurisdiction. This document does not constitute an offer to issue or sell, or the solicitation of an offer to subscribe for or purchase, any Ordinary Shares to any person in a Restricted Jurisdiction and is not for distribution in, into or from a Restricted Jurisdiction.

The New Ordinary Shares have not been approved or disapproved by the US Securities and Exchange Commission, or any other securities commission or regulatory authority of the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the New Ordinary Shares nor have they approved this document or confirmed the accuracy or adequacy of the information contained in this document. Any representation to the contrary is a criminal offence in the US.

Basis on which information is presented

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

In the document, references to “pounds sterling”, “£”, “pence” and “p” are to the lawful currency of the United Kingdom.

Third party information

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

References to defined terms

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

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

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DIRECTORS AND ADVISERS

Directors	Daniel Maurice Wagner (<i>Non-Executive Chairman</i>) Ivor Scott Dunbar (<i>Non-Executive Deputy Chairman</i>) André Brown (<i>Chief Executive Officer</i>) Mark Alasdair Smith Johnson (<i>Finance Director</i>) Robert Matthew Fenner (<i>Non-Executive Director</i>) Edward William Ewing (<i>Non-Executive Director</i>) Nicholas John Habgood (<i>Non-Executive Director</i>) (<i>effective from the conclusion of the General Meeting</i>) <i>all of the Company's registered office</i>
Company Secretary	Mark Alasdair Smith Johnson
Website	www.ATTRAQT.com
Telephone	+44 20 3440 6208
Nominated Adviser and Broker	Nplus1 Singer Advisory LLP One Bartholomew Lane London EC2N 2AX
Legal Advisers to the Company	Taylor Wessing LLP 5 New Street Square London EC4A 3TW
Legal Advisers to the nominated adviser and broker	Rosenblatt Solicitors 9-13 St. Andrew Street London EC4A 3AF
Financial PR to the Company	Newgate Communications Limited SkyLight City Tower 50 Basinghall Street London EC2V 5DE
Registrars	Capita Asset Services The Registry 34 Beckenham Road Kent BR3 4TU

PLACING STATISTICS

Number of Existing Ordinary Shares in issue as at the date of this document	20,625,994
Placing Price	52 pence
Number of New Ordinary Shares to be issued by the Company pursuant to the Placing ⁽¹⁾	6,316,346
Number of Sale Shares to be placed pursuant to the Placing	5,000,000
Number of Ordinary Shares in issue following admission of the New Ordinary Shares ⁽²⁾	26,942,340
Percentage of the Enlarged Share Capital being placed pursuant to the Placing	42.00%
Percentage of the Enlarged Share Capital represented by the New Ordinary Shares ⁽²⁾	23.44%
Total gross proceeds of the Placing ⁽¹⁾	£5.88 million
Estimated expenses of the Placing payable by the Company	£0.31 million
Estimated net proceeds of the Placing receivable by the Company ⁽¹⁾	£2.97 million
ISIN	GB00BMJJFZ18
SEDOL	BMJJFZ1
TIDM	ATQT

Notes:

⁽¹⁾ Assuming all of the New Ordinary Shares are issued under the Placing

⁽²⁾ Assuming no exercise of Options following the date of this document

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

	<i>2015</i>
Publication of this document	12 November
Latest time and date for receipt of Form of Proxy	11.00 a.m. on 26 November
General Meeting	11.00 a.m. on 30 November
Admission and commencement of dealings in the New Ordinary Shares on AIM	8.00 a.m. on 2 December
Where applicable, expected date for CREST accounts to be credited in respect of New Ordinary Shares in uncertificated form	8.00 a.m. on 2 December
Where applicable, expected date for despatch of definitive share certificates for New Ordinary Shares in certificated form	on or around 7 December

(Note: Each of the above dates is subject to change at the absolute discretion of the Company and N+1 Singer).

DEFINITIONS

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

“Accelerated Panel Waiver”	the approval by the Takeover Panel of a waiver from the obligations that would otherwise apply to Azini to make a general offer for the Company pursuant to Rule 9 of the Code as a result of their subscription for Placing Shares pursuant to the Placing, the Takeover Panel having received written confirmation from Independent Shareholders holding, in aggregate, in excess of 50 per cent. of the existing voting rights in the Company, capable of being voted at a general meeting, consenting to this waiver without the requirement for the waiver to be approved by Independent Shareholders at a general meeting
“Act”	the Companies Act 2006 (as amended)
“Admission”	the admission of the New Ordinary Shares to trading on AIM following completion of the Placing and such admission becoming effective in accordance with Rule 6 of the AIM Rules
“AIM”	the AIM market operated by the London Stock Exchange
“AIM Rules”	the AIM Rules for Companies and guidance notes published by the London Stock Exchange from time to time
“ATTRAQT, Inc.”	ATTRAQT, Inc. (incorporated and registered in Delaware with registered number 46-2654281), a wholly owned subsidiary of ATTRAQT Limited
“ATTRAQT Limited”	ATTRAQT Limited (incorporated and registered in England and Wales with registered number 4631635 and formerly known as Locayta), a wholly owned subsidiary of the Company
“Azini”	Azini 3 LLP, a limited liability partnership incorporated in England with registered number OC389630
“BSV”	Bright Station Ventures Limited, a company incorporated in the Isle of Man with company number 124349C
“certificated form” or “in certificated form”	an ordinary share recorded on a company’s share register as being held in certificated form (namely, not in CREST)
“City Code” or the “Code”	the City Code on Takeovers and Mergers
“Company” or “ATTRAQT Group”	ATTRAQT Group plc, a company incorporated and registered in England and Wales under the Companies Act 1985 with registered number 08904529
“Concert Party”	Dan Wagner, BSV, John Wagner and Ivor Dunbar, whose aggregate holdings of Ordinary Shares are set out at paragraph 5 in the Additional Information section of this document

“CREST”	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the operator (as defined in those regulations)
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (S.I. 2001 No. 3755) (as amended)
“Dealing Day”	a day on which the London Stock Exchange is open for business in London
“Directors” or “Board”	the directors of the Company whose names are set out on page 4 of this document, or any duly authorised committee thereof
“Euroclear”	Euroclear UK & Ireland Limited, the operator of CREST
“Enlarged Share Capital”	the issued share capital of the Company immediately following Admission comprising the Existing Ordinary Shares and the New Ordinary Shares
“Existing Ordinary Shares”	the 20,625,994 ordinary shares all of which are admitted to trading on AIM and being the entire issued ordinary share capital of the Company as at the date of this document
“Form of Proxy”	the form of proxy for use in connection with the General Meeting which accompanies this document
“FCA”	the Financial Conduct Authority, acting in its capacity as competent authority in the United Kingdom pursuant to Part VI of FSMA
“FSMA”	the Financial Services and Markets Act 2000 (as amended)
“General Meeting”	the general meeting of the Company to be held at the offices of N+1 Singer, 1 Bartholomew Lane, London EC2N 2AX at 11.00 a.m. on 30 November 2015, notice of which is set out at the end of this document
“Group”	the Company, its subsidiaries and its subsidiary undertakings
“HMRC”	Her Majesty’s Revenue & Customs
“Independent Directors”	the Directors other than Daniel Wagner
“Independent Shareholders”	those Shareholders who have consented to the Accelerated Rule 9 Waiver, being Shareholders other than those Shareholders participating in the Placing and the members of the Concert Party and who are listed in paragraph 2 in the Additional Information section of this document, and who in aggregate hold more than 50 per cent. of the Independent Shares, as at the date of this document
“Independent Shares”	Existing Ordinary Shares held by independent shareholders, being Shareholders other than those Shareholders participating in the Placing and the members of the Concert Party

“London Stock Exchange”	London Stock Exchange plc
“New Ordinary Shares”	the 6,316,346 new Ordinary Shares to be issued pursuant to the Placing
“Nominated Adviser” or “N+1 Singer”	Nplus1 Singer Advisory LLP, the Company’s nominated adviser and broker
“Notice of General Meeting”	the notice convening the General Meeting which is set out at the end of this document
“Ordinary Shares”	the ordinary shares of 1 pence each in the capital of the Company
“Option Exchange”	the release of options on or around 14 May 2014 over shares in ATTRAQT Limited granted under the 2013 Share Option Scheme in consideration of the grant of replacement options over an equivalent proportion of shares in the Company on the same terms (except with a varied exercise price per share)
“Options”	options over Ordinary Shares granted under the Share Option Schemes
“Placing”	the conditional placing of the Sale Shares and the New Ordinary Shares by N+1 Singer, as agent on behalf of the Company, pursuant to the Placing Agreement, further details of which are set out in this document
“Placing Agreement”	the conditional agreement dated 12 November 2015 made between (1) N+1 Singer, (2) the Company and (3) the Selling Shareholders in relation to the Placing, further details of which are set out in this document
“Placing Price”	52 pence per Placing Share
“Placing Shares”	the New Ordinary Shares and the Sale Shares
“Prospectus Rules”	the prospectus rules made by the FCA pursuant to section 73A of the FSMA
“Relationship Agreement”	the relationship agreement dated 12 August 2014 between the Company, Dan Wagner, BSV and N+1 Singer
“Resolutions”	the resolutions set out in the Notice of General Meeting
“Rule 9 Offer”	the requirement for a general offer to be made in accordance with Rule 9 of the City Code
“Sale Shares”	the 5,000,000 Existing Ordinary Shares being sold on behalf of the Selling Shareholders pursuant to the Placing
“Selling Shareholders”	the Shareholders selling Sale Shares pursuant to the Placing, as further detailed at paragraph 8 in the Letter from the Chairman as set out in this document
“Shareholders”	holders of Ordinary Shares
“Share Option Schemes”	together the 2013 Share Option Scheme and the 2014 Share Option Scheme

“UK”	the United Kingdom of Great Britain and Northern Ireland
“US” or “United States”	the United States of America, each State thereof, its territories and possessions (including the District of Columbia) and all other areas subject to its jurisdiction
“uncertificated” or “in uncertificated form”	an Ordinary Share recorded on a company’s share register as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST
“Whitewash Resolution”	an ordinary resolution to approve the Panel’s waiver of the obligation to make an offer under Rule 9 of the City Code passed on a poll at a general meeting by the shareholders of a company who are independent of the person who would otherwise be required to make an offer under Rule 9 of the City Code and any person acting in concert with him
“2013 Share Option Scheme”	the option plan originally setup by ATTRAQT Limited, under which existing options are now outstanding by virtue of the Option Exchange
“2013 Options”	option issued in accordance with the 2013 Share Option Scheme
“2014 Share Option Scheme”	the unapproved option plan known as the ATTRAQT Group plc Enterprise Management Incentive Share Option Scheme as adopted on 27 May 2014
“2014 Options”	option issued in accordance with the 2014 Share Option Scheme

References to the singular shall include the plural, where applicable, and vice versa. Any reference to any provision of any legislation includes any amendment, modification, re-enactment or extension of it.

TECHNICAL GLOSSARY

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

“cloud”	the practice of using a network of remote servers hosted on the internet to store, manage, and process data, rather than a local server or personal computer
“EBITDA”	earnings before interest, taxes, depreciation and amortisation
“eCommerce”	a business model that enables a firm or individual to conduct business over an electronic, network, typically the internet
“Freestyle Merchandising”	the Group’s SaaS platform
“SaaS”	Software as a Service
“site”	a retailer’s merchandising website

LETTER FROM THE CHAIRMAN OF ATTRAQT GROUP PLC

ATTRAQT Group plc

(incorporated in England and Wales with registered number 08904529)

Directors:

Daniel Maurice Wagner	(Non-Executive Chairman)
Ivor Scott Dunbar	(Non-Executive Deputy Chairman)
André Brown	(Chief Executive Officer)
Mark Alasdair Smith Johnson	(Finance Director)
Robert Matthew Fenner	(Non-Executive Director)
Edward William Ewing	(Non-Executive Director)
Nick Habgood	(Non-Executive Director)

(effective from the conclusion of the General Meeting)

Registered Office:

Heron Tower
35th Floor
110 Bishopsgate
London
EC2N 4AY

12 November 2015

Dear Shareholder,

Proposed Placing of 6,316,346 new Ordinary Shares and 5,000,000 Sale Shares at a price of 52 pence per Ordinary Share, Accelerated Rule 9 Waiver and Notice of General Meeting

1. Introduction and summary

The Company announced today that it has conditionally raised approximately £3.3 million (before expenses) by way of a placing of 6,316,346 new Ordinary Shares at a price of 52 pence per share with certain institutional investors. In addition, the Placing will raise approximately £2.6 million for the Selling Shareholders. The Placing Price represents a 17.46 per cent. discount to the closing middle market price of 63 pence per Existing Ordinary Share on 11 November 2015, being the latest Dealing Day prior to the publication of this document.

Completion of the Placing is conditional upon, *inter alia*:

- the passing of the Resolutions at the General Meeting; and
- the Placing Agreement entered into between the Company and N+1 Singer becoming unconditional in all relevant respects and not having been terminated in accordance with its terms prior to Admission.

Furthermore, the issue of the New Ordinary Shares is also conditional upon Admission becoming effective by no later than 8.00 a.m. on 2 December 2015 or such other date (being not later than 8.00 a.m. on 31 December 2015) as N+1 Singer and the Company may agree.

Subject to the completion of the Placing, Azini will hold 32.12 per cent. of the voting rights of the Company which, without the Accelerated Panel Waiver, would require Azini and any persons acting in concert with it to make a Rule 9 Offer for the Company. The Panel has, however, agreed to the Accelerated Panel Waiver following receipt of written confirmations from Independent Shareholders who hold, in aggregate, in excess of 50 per cent. of the Independent Shares (being those Existing Ordinary Shares eligible to vote on a Whitewash Resolution, which excludes the voting rights of Azini, those Shareholders deemed to be acting in concert with Azini and those Shareholders participating in the Placing).

The Company has obtained such written confirmation from Independent Shareholders holding more than 50 per cent. of the Company's shares capable of being voted at a general meeting and the Panel has accordingly waived the requirement for a Whitewash Resolution. Accordingly, by voting in favour of the Resolutions to be proposed at the General Meeting, the Placing will be effected without the requirement for Azini to make a Rule 9 Offer.

The Placing, which has been arranged by N+1 Singer pursuant to the terms of the Placing Agreement, has not been underwritten by N+1 Singer. The Placing proceeds will be used to further implement the Company's growth strategy and to fund the working capital requirements of the Group, further details of which are set out in paragraph 2 below.

The purpose of this document is to explain the background to and the reasons for the Placing, to explain why the Board considers the Placing and the Accelerated Panel Waiver to be in the best interests of the Company and its Shareholders as a whole and why the Directors unanimously recommend that you vote in favour of the Resolutions to be proposed at the General Meeting.

I am now writing to give you notice of a General Meeting of the Company to be held at the offices of N+1 Singer, 1 Bartholomew Lane, London EC2N 2AX at 11.00 a.m. on 30 November 2015, formal notice of which is set out at the end of this document. The General Meeting has been called for the purpose of proposing the Resolutions, which, if passed, will enable the Placing to be completed.

2. Background to and reasons for the Placing

The Group is a cloud-based SaaS supplier focused on providing a visual merchandising platform to online retailers. Branded 'Freestyle Merchandising' and launched in 2009, the Group's SaaS platform focuses on providing retailers with visual merchandising tools to give them much greater control over how their products are merchandised on their eCommerce sites. Freestyle Merchandising acts as an overlay to a retailer's eCommerce site and works to enhance the customer's experience as well as the sales performance of the site through: (i) superior site search; (ii) product recommendations and personalisation; and (iii) visual merchandising functionality.

Since its admission to AIM in August 2014, the Company has focused on developing its client base, servicing 111 clients with total live sites at 148. It has also aimed to reinvest its limited cash resources in organic growth by developing performance improvements and new features, such as Hyper-caching performance technology and completing the migration of the entire platform to a managed cloud infrastructure. In the Company's latest set of financial results, in respect of the six month period to 30 June 2015, it reported strong financial and operational progress on its stated objectives, having continued to gain traction with leading retailers in the UK and North America.

The Company operates a robust business model, based primarily on a recurring monthly service fee, with a one-off set-up fee and additional follow-on project fees. Clients typically sign for a minimum of 12 months, with larger clients typically signing for 2-3 years. The Board considers this to be a scalable model in the UK and in North America; a region which has been of particular focus for the Company in terms of development and expansion.

The Directors believe that, in order to deliver on the potential in its target markets, significant investment would be required to develop the Company's sales teams in the UK and in North America, with additional investment required to expand the required production capacity to support its potential growth prospects. Although such an investment will represent a major expansion of the Company's sales force; the Board consider this necessary in order to properly capitalise on the opportunities presented to the Group and accelerate growth.

3. Trading update

In its interim results to 30 June 2015, released in September 2015, the Company reported that it had signed seven new clients in the period under review, including All Beauty, Bonmarché, Brown Thomas, Joules and StylistPick.com. Post-period-end, the Group had signed a further eleven new clients, including Bfashion and the US luggage maker TUMI, with an annualised value of £242,000. The production team have delivered sixteen new sites so far in H2 2015, with an annualised value of £376,000.

The Company reported an improvement in financial performance with a reduced EBITDA loss of £0.18 million for H1 2015, compared to an EBITDA loss of £0.31 million in H1 2014. The Company is pleased to report that in H2 2015 it reached monthly breakeven at an EBITDA level.

4. The Placing

The Company has conditionally raised approximately £3.3 million (before expenses) through the issue of the New Ordinary Shares at the Placing Price, which represents a discount of 17.46 per cent. to the closing middle market price of 63 pence per Existing Ordinary Share on 11 November 2015, being the latest Dealing Day prior to the publication of this document. The New Ordinary Shares will represent 23.44 per cent. of the Company's issued ordinary share capital immediately following Admission.

In addition, the Placing will raise £2.6 million (before expenses) for the Selling Shareholders, comprised of Daniel Wagner (Chairman of the Company), BSV, Alan Docter and John Wagner. Further details of the Selling Shareholders' remaining interests in the Company are set out in paragraph 7 below.

The Placing Agreement

Pursuant to the terms of the Placing Agreement, N+1 Singer has conditionally agreed to use its reasonable endeavours, as agent for the Company, to place the Placing Shares with certain institutional and other investors. The Placing has not been underwritten. The Placing Agreement is conditional upon, *inter alia*, the Resolutions being duly passed at the General Meeting and Admission becoming effective on or before 8.00 a.m. on 2 December 2015 (or such later time and/or date as the Company and N+1 Singer may agree, but in any event by no later than 8.00 a.m. on 31 December 2015). If any of the conditions are not satisfied, the New Ordinary Shares will not be issued and the Sale Shares will not be placed, and all monies received from the placees in respect of the issue of New Ordinary Shares and the placing of the Sale Shares will be returned to them (at the placees' risk and without interest) as soon as possible thereafter.

The Placing Agreement contains warranties from the Company in favour of N+1 Singer in relation to, *inter alia*, the accuracy of the information in this document and other matters relating to the Group and its business. In addition, the Company has agreed to indemnify N+1 Singer in relation to certain liabilities it may incur in respect of the Placing. The Placing Agreement also contains certain warranties from the Selling Shareholders in favour of N+1 Singer. N+1 Singer has the right to terminate the Placing Agreement in certain circumstances prior to Admission, in particular, in the event of a material breach of the warranties given to N+1 Singer in the Placing Agreement, the failure of the Company to comply with any of its obligations under the Placing Agreement (in such a way that, in the reasonable opinion of N+1 Singer materially adversely affects the Placing), the occurrence of a *force majeure* event or a material adverse change in (amongst other things) the financial or political conditions in the United Kingdom (which in the reasonable opinion of N+1 Singer materially adversely affects the Placing), any circumstance arising giving rise to claim under the corporate finance indemnity or an adverse change affecting the business of the Group (which is material in the context of the Placing).

Settlement and dealings

Application will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM. It is expected that Admission will occur and that dealings will commence at 8.00 a.m. on 2 December 2015 on which date it is also expected that the New Ordinary Shares will be enabled for settlement in CREST.

The New Ordinary Shares will, when issued, rank *pari passu* in all respects with the Existing Ordinary Shares including the right to receive dividends and other distributions declared following Admission.

5. Use of Proceeds

The Directors intend that the net proceeds of the Placing receivable by the Company (being approximately £2.97 million net of the expenses of the Placing payable by the Company) will be used primarily as follows:

Expand UK sales force	£410,000
Expand US sales force	£830,000
Marketing and PR	£500,000
Expand production capacity	£550,000
Working capital and capital expenditure	£680,000
	<u>£2,970,000</u>

6. Board Appointment

Conditional upon approval of the Resolutions at the General Meeting, and with immediate effect following conclusion of the General Meeting, Nick Habgood will join the Board of the Company as non-executive director.

Mr Habgood is one of the founders and a Managing Partner of Azini Capital Partners LLP, a UK-based private equity firm that specialises in acquiring shareholdings in private and small-cap public technology companies from historical investors and shareholders through secondary transactions. Prior to this Mr Habgood was the Investment Director at LMS Capital, the investment arm of London Merchant Securities plc. Azini is a fund managed by Azini Capital Partners LLP.

7. Selling Shareholders

Daniel Wagner, Chairman the Company, and certain other Selling Shareholders are disposing of Sale Shares (as set out below) in accordance with the terms of the Placing Agreement:

	<i>No. of Sale Shares being sold</i>	<i>No. of Ordinary Shares held following disposal of the Sale Shares</i>	<i>Percentage of Enlarged Share Capital⁽¹⁾</i>
Daniel Wagner	1,545,000	3,436,700	12.76%
Bright Station Ventures Limited ⁽²⁾	2,400,000	2,493,000	9.25%
Alan Docter	417,000	1,669,394	6.20%
John Wagner	638,000	655,800	2.47%

⁽¹⁾ The figures relating to the percentage of the Enlarged Share Capital are based on the assumption that all the New Ordinary Shares are issued and no Options are exercised following the date of this document.

⁽²⁾ Daniel Wagner is interested in 13.9 per cent. of the issued share capital of BSV.

While the Company entered into the Relationship Agreement on 12 August 2014 to regulate its relationship with Dan Wagner and BSV, the Concert Party will continue to be able to exercise influence over the Group's corporate actions and activities and the outcome of general matters pertaining to the Group. Further details of the Relationship Agreement and provided in the "Additional Information" section of this document.

8. The Takeover Code

The proposed Placing gives rise to certain considerations under the Code. Brief details of the Panel, the Code and the protections they afford are described below.

The Code is issued and administered by the Panel. The Code applies to all takeover and merger transactions, however effected, where the offeree company is, *inter alia*, a listed or unlisted public company resident in the United Kingdom, the Channel Islands or the Isle of Man (and to certain categories of private limited companies). The Company is a listed public company resident in the United Kingdom and its Shareholders are entitled to the protections afforded by the Code.

Under Rule 9 of the Code, where any person acquires, whether by a series of transactions over a period of time or not, an interest in shares which (taken together with shares already held by him and an interest in shares held or acquired by persons acting in concert with him) carry 30 per cent. or more of the voting rights of a company which is subject to the Code, that person is normally required to make a general offer to all the holders of any class of equity share capital or other class of transferable securities carrying voting rights in that company to acquire the balance of their interests in the company.

Rule 9 of the Code also provides that, among other things, where any person who, together with persons acting in concert with him, is interested in shares which in aggregate carry not less than 30 per cent. but does not exceed more than 50 per cent. of the voting rights of a company which is subject to the Code, and such person, or any person acting in concert with him, acquires an additional interest in shares which increases the percentage of shares carrying voting rights in which he is interested, then such person is normally required to make a general offer to all the holders of any class of equity share capital or other class of transferable securities carrying voting rights of that company to acquire the balance of their interests in the company.

A Rule 9 Offer must be in cash (or with a cash alternative) and at the highest price paid within the preceding 12 months for any shares in the company by the person required to make the offer or any person acting in concert with him.

Rule 9 of the Code further provides, among other things, that where any person who, together with persons acting in concert with him holds over 50 per cent. of the voting rights of a company, acquires an interest in shares which carry additional voting rights, then they will not generally be required to make a general offer to the other shareholders to acquire the balance of their shares.

For the purposes of the Code, persons acting in concert comprise persons who, pursuant to an agreement or understanding (whether formal or informal), actively co-operate, through the acquisition by them of shares in a company, to obtain or consolidate control of that company. The Concert Party are acting in concert for the purposes of the Code.

Following completion of the Placing, Azini will have acquired in aggregate interests in Ordinary Shares carrying approximately 32.12 per cent. of the Enlarged Share Capital which, without a waiver of the obligations under Rule 9, would oblige Azini to make a general offer to Shareholders under Rule 9.

Dispensation from a Rule 9 Offer

Under Note 1 on the Notes on the Dispensations from Rule 9 of the Code, the Takeover Panel will normally waive the requirement for a general offer to be made in accordance with Rule 9 of the Code if, *inter alia*, the shareholders of the company who are independent of the person who would otherwise be required to make an offer and any person acting in concert with him pass a Whitewash Resolution approving such a waiver. The Takeover Panel may waive the requirement for a Whitewash Resolution to be considered at a general meeting (and for a circular to be prepared in accordance with Section 4 of Appendix 1 to the Code) if shareholders who are independent of the person who would otherwise be required to make an offer and who hold more than 50 per cent. of the company's shares capable of being voted on such a resolution confirm in writing that they would vote in favour of the Whitewash Resolution were such a resolution to be put to the shareholders of the company at a general meeting.

The Company has obtained such written confirmation from Independent Shareholders holding more than 50 per cent. of the Company's shares capable of being voted at a general meeting and the Panel has accordingly waived the requirement for a Whitewash Resolution. Accordingly, by voting in favour of the Resolutions to be proposed at the General Meeting, the Placing will be effected without the requirement for Azini to make a Rule 9 Offer.

Shareholders should note that, following the Placing, Azini will not be entitled to increase its interest in the voting rights of the Company without incurring a further obligation under Rule 9 of the Code to make a general offer (unless a dispensation from this requirement has been obtained from the Panel in advance).

Shareholders should also note that, following completion of the Placing, Azini will control 32.12 per cent. of the voting rights of the Company and that this will increase the percentage of the Ordinary Shares that are not in public hands (as defined in the AIM Rules). This may in turn have the effect of reducing the liquidity of trading in the Ordinary Shares on AIM. Azini's stake in the voting rights of the Company will also mean that Azini will be able, if it so wishes, to exert significant influence over resolutions proposed at future general meetings of the Company.

9. General Meeting

The Company currently does not have sufficient authorities in place under section 551 and section 570 of the Act to allot the New Ordinary Shares pursuant to the Placing and to disapply pre-emption rights in respect of such allotments. Accordingly, the Directors are seeking authority at the General Meeting to allot the New Ordinary Shares on a non-pre-emptive basis to implement the Placing.

Notice of the General Meeting is set out at the end of this document. The General Meeting will be held at the offices of N+1 Singer, 1 Bartholomew Lane, London EC2N 2AX at 11.00 a.m. on 30 November 2015.

Shareholders have the right to attend, speak and vote at the General Meeting (or, if they are not attending the meeting, to appoint someone else as their proxy to vote on their behalf). If the General Meeting is adjourned, only those Shareholders on the Register 48 hours before the time of the adjourned General Meeting (excluding any part of a day that is not a Business Day) will be entitled to attend, speak and vote or to appoint a proxy.

In addition, a Form of Proxy for use at the General Meeting is enclosed with this document.

10. Total Voting Rights

Following the issue of the New Ordinary Shares (assuming that all of the New Ordinary Shares are issued), the total issued share capital of the Company will be 26,942,340 Ordinary Shares. The Company holds no Ordinary Shares in treasury. Accordingly, after Admission, the total number of voting rights in the Company will be 26,942,340 (assuming that all of the New Ordinary Shares are issued).

11. Action to be taken

A Form of Proxy for use at the General Meeting accompanies this document. The Form of Proxy should be completed and signed in accordance with the instructions thereon and returned to the Company's registrars, Capita Asset Services, PXS 1, 34 Beckenham Road, Beckenham, Kent, BR3 4TU, as soon as possible, but in any event so as to be received by no later than 11.00 a.m. on 26 November 2015. The completion and return of a Form of Proxy will not preclude Shareholders from attending the General Meeting and voting in person should they so wish.

12. Recommendation

Your Board believes the Placing and the Accelerated Panel Waiver to be in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors unanimously recommend you to vote in favour of the Resolutions to be proposed at the General Meeting as they intend to do in respect of their holdings, amounting, in aggregate, to 8,761,700 Existing Ordinary Shares, representing 42.48 per cent. of the existing issued share capital of the Company.

The Company has procured irrevocable undertakings from certain Directors and Shareholders to vote in favour of the Resolutions, amounting, in aggregate, to 13,154,700 Existing Ordinary Shares, representing 63.78 per cent. of the existing issued share capital of the Company.

Yours faithfully

Daniel Wagner
Chairman

ADDITIONAL INFORMATION

1. Shareholdings

Following the Placing and Admission, Shareholders with notifiable interests will hold the following interests in the Enlarged Share Capital:

<i>Shareholders</i>	<i>Number of shares in issued share capital prior to Admission</i>	<i>Percentage of Existing Ordinary Shares</i>	<i>Number of Ordinary Shares in the Enlarged Share Capital</i>	<i>Percentage of Enlarged Share Capital</i>
Azini 3 LLP	—	—	8,653,846	32.12%
Dan Wagner	4,981,700	24.15%	3,436,700	12.76%
André Brown	3,280,000	15.90%	3,280,000	12.17%
Bright Station Ventures Ltd	4,893,000	23.72%	2,493,000	9.25%
Alan Docter	2,086,394	10.12%	1,669,394	6.20%
Hargreave Hale	—	—	961,538	3.57%
Killik & Co	—	—	913,462	3.39%
John Wagner	1,303,800	6.32%	665,800	2.47%
David Weinberger	761,100	3.69%	810,138	3.01%

2. Independent Shareholders and the Accelerated Rule 9 Waiver

2.1 The Panel will normally waive the requirement for a general offer to be made in accordance with Rule 9 of the Code if the independent shareholders pass a Whitewash Resolution. The Panel has the power to waive the requirement for a Whitewash Resolution to be put to the shareholders of a company at a general meeting where the independent shareholders confirm in writing that they would vote in favour of a Whitewash Resolution. The Independent Shareholders detailed below have provided the Panel with the relevant written confirmations in connection with the Company and the Panel has accordingly waived the requirement for a general offer to be made in accordance with Rule 9 of the Code. Accordingly, by voting in favour of the Resolutions to be proposed at the General Meeting, the Placing will be effected without the requirement for Azini and any person deemed to be acting in concert with it to make a general offer.

<i>Name of Independent Shareholder</i>	<i>Number of Ordinary Shares held</i>	<i>Percentage of Existing Share Capital</i>	<i>Percentage of voting rights in the Independent Shares</i>
André Brown	3,280,000	15.90%	53.77%
David Stirling	95,000	0.46%	1.56%
Total	<u>3,375,000</u>	<u>16.36%</u>	<u>55.33%</u>

2.2 Each of the Independent Shareholders has written to the Takeover Panel to confirm:

2.2.1 that it/he/she has absolute discretion over the manner in which its/his/her respective Ordinary Shares are voted and that these Ordinary Shares are held free of all liens, pledges, charges and encumbrances;

2.2.2 that:

- (i) save for the fact that they are shareholders in the Company, there is no connection between it/him/her and the concert party;
- (ii) it/he/she does not have any interest or potential interest, whether commercial, financial or personal, which is conditional on the outcome of the Placing; and
- (iii) he/she is an Independent Shareholder of the Company; and

2.2.3 that, in connection with the Placing:

- (i) it/he/she has consented to the Takeover Panel granting a waiver from the obligation for the concert party to make a Rule 9 offer to the Company's shareholders;
- (ii) subject to independent shareholders holding more than 50 per cent. of the Ordinary Shares capable of being voted on a Whitewash Resolution giving separate confirmations in writing, it/he/she consents to the Takeover Panel dispensing with the requirement that independent shareholders approve a Whitewash Resolution at a general meeting of the Company; and
- (iii) it/he/she would vote in favour of a Whitewash Resolution were such a resolution put to the independent shareholders of the Company at a general meeting.

In giving confirmations referred to above, each of the Independent Shareholders acknowledged:

2.2.4 that, if the Takeover Panel receives written confirmation from independent shareholders holding more than 50 per cent. of the shares capable of being voted on a Whitewash Resolution, the Takeover Panel will approve a waiver from the obligation for the concert party to make a Rule 9 Offer, without the requirement for the waiver to be approved by independent shareholders of the Company at a general meeting;

2.2.5 that, if no general meeting is held to approve the Whitewash Resolution:

- (i) there will not be an opportunity for any other person to make any alternative proposal to the Company conditional on such Whitewash Resolution not being approved by independent shareholders of the Company;
- (ii) there would not be an opportunity for other Shareholders to make known their views on the Placing (other than at the General Meeting to authorise the Directors to issue the Placing Shares and to disapply pre-emption rights in relation to the issue of the Placing Shares); and
- (iii) there would be no requirement for the Company either: (i) to obtain and make known to its shareholders competent independent advice under Rule 3 of the Code on either the Placing or the waiver of the obligation for Azini to make a Rule 9 Offer; or (ii) to publish a circular to shareholders of the Company in compliance with Appendix 1 of the Code in connection with this matter.

2.3 The Independent Shareholders also confirmed that they will not sell, transfer, pledge, charge or grant any option or other right over, or create any encumbrance over, or otherwise dispose of their Ordinary Shares until after the conclusion of the General Meeting to approve the Resolutions required to give effect to the Placing.

3. Director Appointment

3.1 It is proposed that Nicholas John Habgood, aged 50, will be appointed to act as a non-executive director of the Company. Mr Habgood is one of the founders and a managing partner of Azini Capital Partners LLP, a UK-based private equity firm that specialises in acquiring shareholdings in private and small-cap public technology companies from historical investors and shareholders through secondary transactions. Prior to this Mr Habgood was the investment director at LMS Capital, the investment arm of London Merchant Securities plc. Azini is a fund managed by Azini Capital Partners LLP.

3.2 As of the date of this document, Mr Habgood has none of the following:

- (i) any unspent convictions in relation to indictable offences;
- (ii) any bankruptcy order made against him or entered into any individual voluntary arrangements;

- (iii) been a director of a company which has been placed in receivership, compulsory liquidation, creditors' voluntary liquidation, administration, been subject to a company voluntary arrangement or any composition or arrangement with its creditors generally or any class of its creditors whilst he was a director of that company or within the 12 months after he ceased to be a director of that company;
- (iv) been a partner in any partnership which has been placed in compulsory liquidation, administration or been the subject of a partnership voluntary arrangement whilst he was a partner in that partnership or within the 12 months after he ceased to be a partner in that partnership;
- (v) been the owner of any assets or a partner in any partnership which has been placed in receivership whilst he was a partner in that partnership or within the 12 months after he ceased to be a partner in that partnership; or
- (vi) been publicly criticised by any statutory or regulatory authority, including recognised professional bodies, or been disqualified by a court from acting as a director of any company or from acting in the management or conduct of the affairs of a company.

3.3 The directorships or partnerships of Mr Habgood currently held and held over the five years preceding the date of this document are as follows:

<i>Current directorships and partnerships</i>	<i>Past directorships and partnerships within past 5 years</i>
Kalibrate Technologies PLC	The Matthew Arnold School
Azini Capital Partners LLP	Keronite Group Limited
Azini Limited	Tungsten Network Limited
Azini Nominees Limited	
Azini 1 (GP) Limited	
Bolero International Limited	
Bolero.Net Limited	
Crosfields Schools Trust	
Lynx Capital Ventures GP Limited	
Cluster Seven Ltd	
Mapleco 32 Ltd	

4. Related party transaction and Directors' intentions

The sale of Sale Shares in connection with the Placing by certain Directors and existing shareholders as set out below constitute related party transactions pursuant to the rule 13 of the AIM Rules:

- (i) Daniel Wagner is a substantial shareholder in the Company, as defined in the AIM Rules, in that he currently has an interest in more than 10 per cent. of the Company's existing issued share capital.

Daniel Wagner has agreed to sell in aggregate, 1,545,000 Sale Shares at the Placing Price as part of the Placing and, accordingly, the sale constitutes a related party transaction in accordance with the AIM Rules. The Directors consider, having consulted with the Company's nominated adviser, N+1 Singer, that the terms on which the Sale Shares will be sold by Daniel Wagner are fair and reasonable insofar as the Company's Shareholders are concerned.

- (ii) BSV is a substantial shareholder in the Company as defined in the AIM Rules, in that it currently has an interest in more than 10 per cent. of the Company's current issued share capital.

BSV has agreed to sell 2,400,000 Sale Shares at the Placing Price as part of the Placing and, accordingly, the sale constitutes a related party transaction in accordance with the AIM Rules. The Directors consider, having consulted with the Company's nominated adviser, N+1 Singer, that the

terms on which the Sale Shares will be sold by BSV are fair and reasonable insofar as the Company's Shareholders are concerned.

- (iii) Alan Docter is a substantial shareholder in the Company as defined in the AIM Rules, in that he currently has an interest in more than 10 per cent. of the Company's current issued share capital.

Alan Docter has agreed to sell 417,000 Sale Shares at the Placing Price as part of the Placing and, accordingly, the sale constitutes a related party transaction in accordance with the AIM Rules. The Directors consider, having consulted with the Company's nominated adviser, N+1 Singer, that the terms on which the Sale Shares will be sold by Alan Docter are fair and reasonable insofar as the Company's Shareholders are concerned.

5. Concert Party

- 5.1 Following completion of the Placing, the Concert Party will have interests in shares carrying approximately 26.34 per cent. of the voting rights of the Company. No individual member of the Concert Party is increasing its resulting percentage holding as a result of its participation in the Placing.

- 5.2 The shareholdings of the Concert Party, before and after the Placing are set out below:

<i>Shareholder Name</i>	<i>Number of Ordinary Shares prior to Admission</i>	<i>Percentage of Existing Ordinary Shares</i>	<i>Number of Ordinary Shares following Admission</i>	<i>Percentage of Enlarged Share Capital</i>
Daniel Wagner	4,981,700	24.15%	3,436,700	12.76%
Bright Station Ventures	4,893,000	23.72%	2,493,000	9.25%
John Wagner	1,303,800	6.32%	665,800	2.47%
Ivor Dunbar	500,000	2.42%	500,000	1.86%
Total Concert Party	11,678,500	56.62%	7,095,500	26.34%

- 5.3 Dan Wagner, John Wagner, BSV and Ivor Dunbar are deemed to be acting in concert with one another for the purposes of Rule 9 of the City Code by virtue of the fact that John Wagner is Dan Wagner's father and both Dan Wagner and John Wagner are controlling shareholders of BSV (an entity in which Dan Wagner and Ivor Dunbar hold 13.9 per cent. and 12 per cent. respectively of the share capital). The Concert Party will hold an aggregate of approximately 26.34 per cent. of the Enlarged Share Capital.
- 5.4 Shareholders should note that, following the Placing, if the Concert Party or any of its members (individually or collectively) acquires an interest in additional Ordinary Shares which increases the Concert Party's percentage of shares carrying voting rights to over 30 per cent. but less than 50 per cent. of the prevailing issued share capital of the Company, the Concert Party would normally be required by the Panel to make a general offer to the shareholders of the Company, pursuant to Rule 9 of the Code, to acquire the balance of the equity share capital in the Company at the highest price paid by any member of the Concert Party in the previous 12 months (unless a dispensation from this requirement has been obtained from the Panel in advance).

6. Relationship Agreement

- 6.1 The Company entered into the Relationship Agreement with Dan Wagner, BSV and N+1 Singer on 12 August 2014. Pursuant to the Relationship Agreement, Dan Wagner and BSV agreed to (amongst other things):

- (i) conduct all transactions with the Group on arm's length terms, on a normal commercial basis and only with the prior approval of a majority of independent directors;

- (ii) exercise their voting rights or other rights and powers so as to ensure that each member of the Group is capable of carrying on its business independently of Dan Wagner and BSV (and their associates); and
 - (iii) abstain from voting in respect of any resolution concerning any contract, arrangement or transaction with a related party of Dan Wagner or BSV (or any of their associates).
- 6.2 The Company further agreed to conduct all transactions, agreements and relationships (whether contractual or otherwise) with Dan Wagner and BSV on arm's length terms and on a normal commercial basis and in accordance with the related party rules set out in the AIM Rules for Companies.
- 6.3 The Relationship Agreement provides that any dispute between the Company and Dan Wagner or BSV and/or any of their associates relating to any existing or proposed transaction, arrangement or agreement between any of Dan Wagner or BSV (or their associates) and the Company shall be resolved by a decision of the majority of independent directors.
- 6.4 The obligations of the parties under the Relationship Agreement shall automatically terminate upon:
- (i) Dan Wagner and BSV (or any of their associates) ceasing to be entitled to exercise, or control the exercise of, 20 per cent. or more of the votes capable of being cast on a poll at general meetings of the Company; or
 - (ii) the Ordinary Shares ceasing to be admitted to AIM.
- 6.5 On Admission, Dan Wagner and BSV will collectively hold 22.01 per cent. of the Enlarged Share Capital and so the Relationship Agreement will continue in full force and effect until terminated in accordance with its terms as summarised above.

7. Options

- 7.1 On the date of this document, the Company has issued Options to certain employees and contractors of the Group pursuant to the Share Option Schemes which remain unexercised as set out below:

<i>Class of Optionholder</i>	<i>Number of Options outstanding</i>	<i>Exercise price</i>
Employees	1,341,680	£0.3159
Employees	880,951	£0.5000
Long-term contractors	479,938	£0.5000
Total Options outstanding	<u>2,702,569</u>	

- 7.2 The terms of the 2013 Share Option Scheme and the 2014 Share Option Scheme are identical. The Options are granted subject to objective performance conditions and/or a schedule contained in the option agreement specifying the dates or events on which Options will vest and become capable of being exercised. The exercise price is determined by the Board in its discretion, but may not be less than the nominal value. There are no individual limits relating to unapproved options.

8. Enterprise Investment Scheme and Venture Capital Trusts

Investors should not consider that any of the reliefs under the EIS and VCT regimes will be available to them in respect of any New Ordinary Shares to be issued under the Placing.

9. Consent

N+1 Singer has given and not withdrawn its consent to the issue of this document and the references to its name in the form and context in which they appear.

NOTICE OF GENERAL MEETING

ATTRAQT Group plc

(the “Company”)

(Incorporated in England and Wales with registered number 8904529)

NOTICE IS HEREBY GIVEN that a General Meeting of the Company will be held at the offices of N+1 Singer, 1 Bartholomew Lane, London EC2N 2AX on 30 November 2015 at 11.00 a.m. for the purpose of considering and, if thought fit, passing the following resolutions, resolution 1 as an Ordinary Resolution and resolution 2 as a Special Resolution:

Ordinary resolution

Director’s authority to allot shares

1. That the Directors be 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:

- (a) shares in the Company and grant rights to subscribe for or convert any security into shares in the Company for the purpose of the Placing up to an aggregate nominal amount of £63,164; and
- (b) shares in the Company and grant rights to subscribe for or to convert any securities into shares in the Company up to a maximum aggregate nominal value of £89,808, or, if less, the nominal value of one-third of the issued share capital of the Company immediately following Admission; and
- (c) equity securities of the Company (within the meaning of section 560 of the Act) up to an aggregate nominal amount which is an amount equal to the aggregate nominal value of £179,616 or, if less, the nominal value of two-thirds of the issued share capital of the Company immediately following Admission (such amount to be reduced by the nominal amount of any shares allotted or rights granted under paragraph (b) of this resolution) in connection with an offer by way of a rights issue to:
 - (i) the holders of ordinary shares in the Company in proportion (as nearly as may be practicable) to the respective numbers of ordinary shares held by them; and
 - (ii) holders of other equity securities, as required by the rights of those securities or, subject to such rights, as the directors of the Company otherwise consider necessary,

and so that the Directors of the Company may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter.

These authorities shall apply in substitution for all previous authorities (but without prejudice to the validity of any allotment pursuant to any previous authority) and shall expire at the end of the next annual general meeting of the Company or, if earlier, 15 months after the date of this resolution, save that the Company may before such expiry make any offer or agreement which would or might require shares to be allotted or rights granted to subscribe for or convert any security into shares after such expiry and the Directors may allot shares or grant such rights in pursuance of any such offer or agreement as if the power and authority conferred by this resolution had not expired.

Special resolution

Directors' power to issue shares for cash

2. That, subject to and conditional upon the passing of resolution 1 above, the Directors be generally and unconditionally empowered for the purposes of section 570 of the Act to allot equity securities (within the meaning of section 560 of the Act) for cash:

- (a) pursuant to the authority conferred by resolution 1 above; or
- (b) where the allotment constitutes an allotment by virtue of section 560(3) of the Act,

in each case as if section 561 of the Act did not apply to any such allotment, provided that this power shall be limited to:

(i) the allotment of equity securities in connection with an offer of equity securities (but in the case of an allotment pursuant to the authority granted under paragraph (c) of resolution 1, such power shall be limited to the allotment of equity securities in connection with an offer by way of a rights issue only) to:

- (A) the holders of ordinary shares in the Company in proportion (as nearly as may be practicable) to the respective numbers of ordinary shares held by them; and
- (B) holders of other equity securities, as required by the rights of those securities or, subject to such rights, as the directors of the Company otherwise consider necessary,

and so that the Directors of the Company may impose any limits or restrictions and make any arrangements which it considers necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter; and

- (ii) the grant of options to subscribe for shares in the Company, and the allotment of such shares pursuant to the exercise of options granted under the terms of any share option scheme adopted or operated by the Company; and
- (iii) the allotment of equity securities, other than pursuant to paragraph (i) and (ii) above of this resolution, up to an aggregate nominal amount of £26,943, or, if less, the nominal value of 10 per cent. of the issued share capital of the Company immediately following Admission.

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

Registered Office:

Heron Tower
35th Floor
London
EC2N 4AY

Company Secretary

Mark Johnson
By Order of the Board

Dated: 12 November 2015

Notes:

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 (as amended), only those members registered in the register of members of the Company at 6.00 p.m. on 26 November 2015 (or if the GM is adjourned, 48 hours before the time fixed for the adjourned GM) shall be entitled to attend and vote at the GM in respect of the number of shares registered in their name at that time. In each case, changes to the register of members after such time shall be disregarded in determining the rights of any person to attend or vote at the GM.
2. A member who is entitled to attend, speak and vote at the GM may appoint a proxy to attend, speak and vote instead of him. A member may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares (so a member must have more than one share to be able to appoint more than one proxy). A proxy need not be a member of the Company but must attend the GM in order to represent you. A proxy must vote in accordance with any instructions given by the member by whom the proxy is appointed. Appointing a proxy will not prevent a member from attending in person and voting at the GM (although voting in person at the GM will terminate the proxy appointment). A proxy form is enclosed. The notes to the proxy form include instructions on how to appoint the Chairman of the GM or another person as a proxy. You can only appoint a proxy using the procedures set out in these Notes and in the notes to the proxy form.
3. To be valid, a proxy form, and the original or duly certified copy of the power of attorney or other authority (if any) under which it is signed or authenticated, should reach the Company's registrar, Capita Asset Services of The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, by no later than 11.00 a.m. on 26 November 2015.
4. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the GM (and any adjournment thereof) by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider should refer to their CREST sponsors or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message (regardless of whether it relates to the appointment of a proxy, the revocation of a proxy appointment or to an amendment to the instruction given to a previously appointed proxy) must be transmitted so as to be received by the Company's agent, Capita Registrars Limited (CREST Participant ID: RA10), no later than 48 hours before the time appointed for the meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

CREST members and, where applicable, their CREST sponsor or voting service provider, should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsor or voting service provider are referred in particular to those sections of the CREST Manual (available at www.euroclear.com/CREST) concerning practical limitations of the CREST system and timings.

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

5. In the case of joint holders of shares, the vote of the first named in the register of members who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of other joint holders.
6. A member that is a company or other organisation not having a physical presence cannot attend in person but can appoint someone to represent it. This can be done in one of two ways: either by the appointment of a proxy (described in Notes 2 to 4 above) or of a corporate representative. Members considering the appointment of a corporate representative should check their own legal position, the Company's articles of association and the relevant provision of the Companies Act 2006.
7. As at 11 November 2015 (being the last business day prior to the publication of this notice) the Company's issued share capital consists of 20,625,994 ordinary shares of £0.01 each, carrying one vote each. The Company does not have any treasury shares in issue. Therefore, the total voting rights in the Company as at 11 November 2015 are 20,625,994.
8. If a member submits more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.
9. A copy of this notice can be found at www.attraqt.com.