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If you have sold or otherwise transferred all your Ordinary Shares in Centaur Media, please send this document, together with the accompanying Form of Proxy, as soon as possible, to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee. If you have sold or otherwise transferred only part of your holding, you should retain these documents.

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# CENTAUR MEDIA PLC

(Incorporated in England & Wales with registered number 04948078)

## Proposed disposal of Home Interest Business

## Proposed acquisition of MarketMakers Incorporated Limited

### Circular to Shareholders

and

### Notice of General Meeting

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**This document should be read as a whole. Your attention is drawn to the letter from the Chairman of Centaur Media which is set out on pages 7 to 15 of this document and recommends you to vote in favour of the Resolutions to be proposed at the General Meeting referred to below. Your attention is also drawn to the risk factors set out in Part II (*Risk Factors*) of this document.**

Notice of a General Meeting of Centaur Media plc, to be held at 12 noon on 25 July 2017 at the offices of Dechert LLP, 160 Queen Victoria Street, London, EC4V 4QQ is set out at the end of this document. The Form of Proxy for use at the meeting accompanies this document and, to be valid, should be completed and returned to the Company's registrars, Share Registrars Limited, The Courtyard, 17 West Street, Farnham, Surrey GU9 7DR as soon as possible and, in any event, so as to arrive by no later than 12 noon on 23 July 2017. Alternatively, Shareholders may submit their vote online by accessing the website of the Registrar ([www.shareregistrars.uk.com](http://www.shareregistrars.uk.com)). CREST members may also choose to utilise the CREST electronic proxy appointment service on accordance with the procedures set out in the Notice of General Meeting at the end of this document. Completion and return of the Form of Proxy will not preclude Shareholders from attending and voting in person at the General Meeting, should they so wish.

Shore Capital and Corporate Limited, which is regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively as sole sponsor to the Company and no one else in connection with the Transactions and will not be responsible to anyone other than Centaur Media for providing the protections afforded to its clients or for giving advice in connection with the Transactions or any of the arrangements referred to or contained in this document.

Apart from the responsibilities and liabilities, if any, which may be imposed upon Shore Capital by the Financial Services and Markets Act 2000 or the regulatory regime established thereunder, Shore Capital accepts no responsibility whatsoever nor makes any representation or warranty, express or implied, concerning the contents of this document, including its accuracy, completeness or verification, or concerning any other statement made or purported to be made in connection with Centaur Media or the Transactions, and nothing in this document is, or shall be relied upon as, a promise or representation in this respect, whether as to the past or future. Shore Capital accordingly disclaims to the fullest extent permitted by law all and any responsibility and liability whether arising in tort, contract or otherwise (save as referred to herein) which it might otherwise have in respect of this document or any such statement.

The delivery of this document shall not imply that there has been no change in the Company's affairs or that the information set forth in this document is correct as of any date subsequent to the date hereof.

This document is dated 7 July 2017.

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**DIRECTORS, COMPANY SECRETARY, REGISTERED  
OFFICE AND ADVISERS**

<b>Directors</b>	Mr R Sandler ( <i>Chairman</i> ) Ms A Vidler ( <i>Chief Executive Officer</i> ) Mr S Mukerji ( <i>Chief Financial Officer</i> ) Mr R W Boyle ( <i>Non-Executive Director</i> ) Mr C W Eccleshare ( <i>Senior Independent Director</i> ) Ms R Miskin ( <i>Non-Executive Director</i> )
<b>Company Secretary</b>	Mr S Mukerji
<b>Registered Office</b>	Wells Point 79 Wells St London W1T 3QN
<b>Sponsor</b>	Shore Capital and Corporate Limited Bond Street House 14 Clifford Street London W1S 4JU
<b>Legal Advisers to the Company in relation to the Disposal</b>	Dechert LLP 160 Queen Victoria Street London EC4V 4QQ
<b>Legal Advisers to the Company in relation to the Acquisition</b>	Wiggin LLP Met Building 22 Percy St Bloomsbury London W1T 2BU
<b>Auditors and Reporting Accountants to the Company</b>	PricewaterhouseCoopers LLP 1 Embankment Place London WC2N 6RH
<b>Reporting Accountants in relation to the Acquisition</b>	RSM Corporate Finance LLP 25 Farringdon Street London EC4A 4AB
<b>Registrar</b>	Share Registrars Limited The Courtyard 17 West Street Farnham GU9 7DR

## **EXPECTED TIMETABLE OF PRINCIPAL EVENTS**

<i>Event</i>	<i>Expected time/date</i>
Announcement of the Transactions	7 July 2017
Publication of this document	7 July 2017
Latest time and date for receipt of Forms of Proxy	12 noon on 23 July 2017
General Meeting	12 noon on 25 July 2017
Expected date of publication of the Company's interim results for the six months ended 30 June 2017	26 July 2017
Expected date for completion of the Disposal	1 August 2017
Expected date for completion of the Acquisition	4 August 2017
Long stop date for Shareholder approval of the Disposal	30 September 2017
Long stop date for Shareholder approval of the Acquisition	30 September 2017

Notes:

1. Future dates are indicative only and are subject to change by the Company, in which event details of the new times and dates will be notified to the FCA and, where appropriate, to Shareholders.
2. References to times in this document are to London time.

## **GENERAL INFORMATION**

### **1. Introduction**

The contents of this document should not be construed as legal, financial or tax advice. Shareholders should consult their own solicitor, financial adviser or tax adviser for legal, financial or tax advice.

### **2. Financial Information**

Unless otherwise stated:

- (a) financial information relating to Centaur Media has been extracted without material adjustment from the audited consolidated financial statements of the Company incorporated by reference, in Part IX (*Documents Incorporated by Reference*) of this document;
- (b) financial information relating to the Home Interest Business, unless otherwise stated, has been extracted without material adjustment from Section A of Part III (*Historical Financial Information Relating to the Home Interest Business*) of this document;
- (c) financial information relating to MarketMakers, unless otherwise stated, has been extracted without material adjustment from the unaudited historical financial information of MarketMakers set out in Section B of Part III (*Historical Financial Information Relating to MarketMakers*) of this document; and
- (d) all prices quoted for Ordinary Shares are closing prices in pence sterling as provided by the London Stock Exchange.

Unless otherwise indicated, financial information in this document relating to Centaur Media has been prepared in accordance with IFRS as adopted by the European Union and to those parts of the Companies Act 2006 applicable to companies preparing their accounts under IFRS and is prepared in a form that is consistent with the Group's accounting policies as set out in its latest audited accounts for the year ended 31 December 2016.

Unless otherwise indicated, financial information in this document relating to MarketMakers has been prepared in accordance with note 2 to the historical financial information relating to MarketMakers set out in Section B of Part III (*Historical Financial Information Relating to MarketMakers*) of this document.

### **3. Information on Risk Factors**

The risk factors set out in Part II (*Risk Factors*) of this document are those material risk factors of which the Directors are aware. However, these should not be regarded as a complete and comprehensive statement of all potential risks and uncertainties relating to the Transactions. Additional risks and uncertainties that are not at present known to the Directors, or that the Directors currently deem immaterial, may also have a material and adverse effect on the Group's business, financial condition, results of operations and prospects.

### **4. No Profit Forecast**

Unless stated otherwise, and save for the Profit Forecast, no statement in this document or incorporated by reference into this document is intended to constitute a profit forecast or profit estimate for any period, nor should any statement be interpreted to mean that earnings or earnings per share will necessarily be greater or less than those for the preceding or any other financial period.

### **5. Forward-Looking Statements**

Certain statements contained in this document, including those in Part II (*Risk Factors*) constitute "forward-looking statements". In some cases, these forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "prepares", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology. Shareholders should specifically consider the factors identified in this document, which could cause actual results to differ, before making any decision whether to vote in favour of the Resolutions. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Group, or industry results,

to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Group's present and future business strategies and the environment in which the Group will operate in the future. Such risks, uncertainties and other factors include those set out more fully in Part II (*Risk Factors*) and include, among others: general economic and business conditions, industry trends, competition, changes in government regulation, economic downturn and the Group's ability to implement expansion plans. These forward-looking statements speak only as at the date of this document. Except as required by the FCA, the Listing Rules, the Prospectus Rules, the Disclosure Guidance and Transparency Rules, MAR, the London Stock Exchange, applicable law or relevant regulation, the Group expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this document to reflect any change in the Company's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based. This statement does not seek to qualify the working capital statements given at paragraph 6 of Part VII (*Additional Information*) of this document.

## **6. Market data**

Where information contained in this document has been sourced from a third party, Centaur Media and the Directors confirm that such information has been accurately reproduced and, so far as they are aware and have been able to ascertain from information published by third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading.

## **7. Rounding**

Certain figures included in this document and in the information incorporated by reference into this document have been subject to rounding adjustments. Accordingly, discrepancies in tables between the totals and the sums of the relevant amounts is due to rounding.

## **8. Time**

All references in this document to time are to London time unless stated.

## **9. Definitions**

Capitalised terms used in this document have the meanings ascribed to them in Part VIII (*Definitions*) of this document.

## PART I

### LETTER FROM THE CHAIRMAN OF CENTAUR MEDIA PLC

Incorporated in England & Wales with registered number 04948078

Directors:

Mr R Sandler (*Chairman*)  
Ms A Vidler (*Chief Executive Officer*)  
Mr S Mukerji (*Chief Financial Officer*)  
Mr R W Boyle (*Non-Executive Director*)  
Mr C W Eccleshare (*Senior Independent Director*)  
Ms R Miskin (*Non-Executive Director*)

Registered Office:

Wells Point  
79 Wells Street  
London  
W1T 3QN

7 July 2017

Dear Shareholder,

#### **Proposed disposal of business to consumer division, Home Interest**

#### **Proposed acquisition of MarketMakers Incorporated Limited and Notice of General Meeting**

##### **1. Introduction**

On 7 July 2017, Centaur Media announced that its subsidiary, Centaur Communications, had entered into a conditional agreement to sell the entire issued share capital of both Ascent Publishing and Centaur Consumer Exhibitions, which together constitute the Group's Home Interest Business, to Future Publishing Limited, a wholly owned subsidiary of Future PLC, for an enterprise value of £32 million less £1.76 million (representing the net amount of cash-backed deferred income and associated costs and other identified debt like items), resulting in a net cash consideration of £30.24 million which is subject to further adjustment for customary post-Disposal Completion adjustments based on the amounts of debt, cash and working capital in the Home Interest Business as at Disposal Completion (the "**Disposal**").

Centaur Media also announced on 7 July 2017 that Centaur Communications had entered into a conditional agreement to purchase the entire issued share capital of MarketMakers (the "**Acquisition Agreement**") for an initial fixed cash consideration of £13.4 million plus the surplus cash and working capital in MarketMakers and an earn out based on future EBITDA performance (the "**Acquisition**"). The maximum cash consideration payable when aggregated with the earn out is £17.0 million, and the additional amount representing certain tax adjustments and surplus cash and working capital in MarketMakers as at 31 December 2016 amounting in aggregate to £3.1 million, of which £2.8 million is represented by surplus cash held within MarketMakers. Assuming earnings targets are met, the maximum consideration payable for the Acquisition will be £20.1 million.

The net proceeds from the Disposal will be used in part to provide all of the consideration for the Acquisition (assuming it proceeds). As a result, completion of the Acquisition is conditional upon completion of the Disposal. Accordingly, in the event the Disposal does not complete in accordance with its terms, the Acquisition will not be completed.

The terms and conditions of the Disposal are contained in the Disposal Agreement, which is summarised in Part V (*Principal Terms of the Disposal*) of this document; and the terms and conditions of the Acquisition are contained in the Acquisition Agreement, which is summarised in Part VI (*Principal Terms of the Acquisition*) of this document.

In view of its size in relation to Centaur Media, the Disposal and the Acquisition each constitutes a Class 1 transaction for Centaur Media for the purposes of the Listing Rules and will therefore both require the approval of Shareholders. Accordingly, a General Meeting of Shareholders to approve the Resolutions required to implement the Transactions has been convened at 12 noon on 25 July 2017 to be held at the

offices of Dechert LLP, 160 Queen Victoria Street, London, EC4V 4QQ. The Notice of General Meeting is set out at the end of this document.

As noted above, completion of the Acquisition is conditional upon completion of the Disposal, and accordingly the Acquisition Resolution is conditional upon the passing of the Disposal Resolution.

The purpose of this document is to (i) give you further details of the Transactions, including the background to and reasons for each Transaction; (ii) explain why the Board considers the Transactions to be in the best interests of the Company and the Shareholders as a whole; and (iii) convene the General Meeting to obtain Shareholder approval for the Transactions.

### ***Centaur Media Growth Strategy***

Centaur is a business to business (“**B2B**”) media company that informs, advises and connects business professionals through insight, data and events with products and services that help accelerate the performance of its customers’ businesses.

Over the last three years, the Group has successfully evolved from its controlled circulation advertising reliant legacy to a fully focussed digitally aligned group. It now offers a range of products and services that enable professionals to optimise their business performance including market insight, data, consultancy and events.

This transformation is being strategically driven by leveraging content skills and expert sector knowledge from Centaur’s publishing heritage and combining these with data and digital development expertise; at the same time creating “must-attend” annual events and valued digital business intelligence subscription products. Centaur’s brands have been repurposed, making them relevant to the market place and to both current and future customers.

Change at Centaur has been focussed on the customer, using data to understand more precisely their changing challenges and behaviours and, wherever possible, turning a passive relationship into a proactive value adding one. The Group has embraced technology and innovation to create and deliver the best possible experience in the format and frequency most relevant to the customer, either digitally or face to face. As a result, new revenue streams have been generated that monetise Centaur’s content and expertise, earning revenues directly from the customer. This is being accomplished across the Group.

Centaur Media has become a content business focussed on its customers, redefining how to best deliver content and seeking new ways to communicate with and add value to those customers. The Group now has five strong digital business intelligence products, significant B2B annual events, and has accomplished its goal to materially reduce the Group’s reliance on print publishing for revenue generation.

## **2. Disposal**

### ***Background to and reasons for the Disposal***

On 29 March 2017, the Board announced that it had commenced a process to explore the sale of business to consumer (“**B2C**”) division, the Home Interest Business.

The Centaur Media Group is currently a broad business with a range of products and services across both the B2B and B2C sectors. Given the Group’s size, one of the biggest challenges it faces is the breadth of its activity and the variety of customers it serves. As a result, the Board’s stated ambition over the medium term has been to reshape and simplify the Group to become more aligned and focused upon a reduced number of customer segments and delivering a higher value service to them.

The Home Interest Business is the only part of the Group that has a B2C proposition. As such, it is considered non-core and the disposal of the Home Interest Business will allow the Group to further focus itself as a B2B digital and events media group offering additional products and services to its professional customer base.

Over the last three years considerable resource has been invested into the Home Interest Business to improve its performance with the intention of growing it to a scale that will maximise Shareholder value on disposal. The Board believes that this standalone business it is now of sufficient scale and performance for its divestment to increase Shareholder value and improve the prospects of the Group further by generating

significant proceeds for appropriate reinvestment as the Group continues the process of realigning its business to better serve its customers.

The Disposal is a major step towards reshaping the Group. Furthermore, the Home Interest Business risks not fulfilling its potential if it remains within the Group because the investment required to enable it to grow to the next stage is unlikely to be available within a predominantly B2B group.

In addition, the Disposal is being made to fund the Acquisition as the net proceeds from the Disposal will be used in part to provide all of the consideration for the Acquisition (assuming it proceeds).

### **Information on the Home Interest Business**

The Home Interest Business consists of three key brands: Homebuilding & Renovating; Period Living and Real Homes, providing seven market leading exhibitions in addition to print and digital assets. In 2016, the exhibitions attracted approximately 94,000 visitors and 1,734 exhibitors providing the Home Interest Business with multiple opportunities throughout the year to successfully engage with its audience.

For the year ended 31 December 2016, the Home Interest Business made a material contribution to the Group's revenues and profits: revenues attributable to the Home Interest Business were £12.8 million out of the total revenues for the Group of £72.5 million, and during the same period EBITDA attributable to the Home Interest Business was £3.3 million out of adjusted EBITDA for the Group of £12.4 million. As such, completion of the Disposal only (without the Acquisition) will materially reduce the Group's earnings but will significantly strengthen the cash position of the Group with which to pursue further opportunities to grow the business.

The Home Interest Business' market leading position is underpinned by its ability to deliver valuable and relevant sector content and insights. Content is produced by highly experienced and knowledgeable editorial and management teams as well as other cost-effective avenues (e.g. Homebuilding & Renovating Awards, programming relationships with architects looking to showcase work and freelance consultants). It is a key contributor to the National Custom & Self Build Association and a trusted resource to both homebuilding and renovating communities.

The Home Interest Business has been run on a stand-alone basis by a highly experienced team. They will be leaving Centaur with the business they are managing on completion of its sale and the Centaur management wish them very well. There will be no departures from the Group by key individuals as a result of the Disposal.

The Board believes that the Home Interest Business has limited direct competitors of scale, with rivals unable to attract the same high value audience nor replicate the geographical coverage of its portfolio. This has ensured that the Home Interest Business is increasingly embedded in client marketing campaigns, where it effectively leverages proprietary data assets around exhibition attendees and subscribers to maximise return on investment for clients.

### **Summary of financial information of the Home Interest Business**

The summarised financial information below for the year ended 31 December 2016 has been extracted without material adjustment from the historical financial information relating to the Home Interest Business, set out in Part III (*Historical Financial Information Relating to the Home Interest Business*) of this document, which should be read alongside this summary.

For the year ended 31 December 2016, revenues attributable to the Home Interest Business were £12.8 million out of the total revenues for the Group of £72.5 million, and during the same period EBITDA attributable to the Home Interest Business was £3.3 million out of adjusted EBITDA for the Group of £12.4 million. As at 31 December 2016, the gross assets attributable to the Home Interest Business were £4.2 million out of the total gross assets for the Group of £113.0 million.

### **Use of Proceeds and financial effects of the Disposal**

The Group is expected to receive net cash proceeds of approximately £28.6 million (after deductions, fees and other transaction costs) from the Disposal.

The net proceeds from the Disposal will be used in part to provide all of the consideration for the Acquisition (assuming it proceeds). The balance of the proceeds from the Disposal will be used to strengthen the Group's balance sheet and may be used by the Company to explore other acquisitions which support its strategy and also to consider the buyback of Shares at such times and on such bases as may be appropriate.

An unaudited pro forma statement of net assets illustrating the effect of (i) the Transactions; and (ii) the Disposal (assuming the Acquisition is not completed), in either case on the Group's net assets as at 31 December 2016, as if the aforementioned had taken place on that date, is set out in Section A of Part IV (*Unaudited Pro Forma Statement of Net Assets*) of this document. It shows that the impact of the Disposal would have a pro forma increase in net assets from £67.1 million to £89.7 million as at 31 December 2016. This information is unaudited and has been prepared for illustrative purposes only.

### **Information on the Purchaser**

Future Publishing Limited is a wholly owned subsidiary of Future PLC. Future PLC is a media group and publishing company which produces print and digital publications, applications, websites and events. Future PLC's ordinary shares are admitted to the standard listing segment of the Official List and to trading on the London Stock Exchange's main market for listed securities. It is headquartered in Bath, UK and has operations in the UK, USA and Australia. Future is the parent company of the Future group and has subsidiaries in the UK, California USA, Germany and Guernsey.

### **Principal terms of the Disposal**

Under the terms of the Disposal Agreement, Future Publishing Limited, a wholly owned subsidiary of Future PLC, will acquire the entire issued share capitals of Ascent Publishing and Centaur Consumer Exhibitions for an enterprise value of £32 million less £1.76 million (representing the net amount of cash-backed deferred income and associated costs and other identified debt like items), resulting in a net cash consideration of £30.24 million which is subject to further adjustment for customary post-Disposal Completion adjustments based on the amounts of debt, cash and working capital in the Home Interest Business as at Disposal Completion.

In order to fund the Disposal, Future intends to issue ordinary shares in the capital of Future to placees pursuant to a conditional underwritten placing (the "**Placing**"). Future intends to use the net proceeds of the Placing to satisfy part of the consideration for the Disposal. The remainder of the consideration for the Disposal will be funded through a new banking facility provided by HSBC Bank plc and drawdowns under the Future group's existing facilities.

In preparation for the Disposal, on 5 July 2017, Centaur Communications entered into the Asset Transfer Agreement to transfer certain Assets to Ascent Publishing and Centaur Consumer Exhibitions. These Assets include the benefit (subject to the burden) of certain trading contracts and domain names. Following completion of the Asset Transfer Agreement, Ascent Publishing and Centaur Consumer Exhibitions comprise the whole of the Home Interest Business.

Disposal Completion is conditional upon, amongst other things, approval of the Disposal by Shareholders through the passing of the Disposal Resolution (Resolution 1 set out in the Notice of General Meeting). Disposal Completion is not conditional on approval of the Acquisition by Shareholders through the passing of the Acquisition Resolution. Further details of the Disposal and a summary of the principal terms of the Disposal Agreement, Asset Transfer Agreement and the Disposal TSA are set out in more detail in Part V (*Principal Terms of the Disposal*) of this document.

## **3. Acquisition**

### **Background to and reasons for the Acquisition**

The Group's strategy is to build an international B2B media group that offers a range of products and services using data and content to inform, advise and connect directly with its customers rather than selling 'eyeballs' around content via advertising or sponsorship.

During the last three years, the Group has focused on delivering a development strategy that builds existing brands content and capabilities to create more diversified revenue streams and establishes new products

and services which are directly monetised from the customer, for example, The Lawyer's Market Reports and the Marketing Week Mini MBA.

This strategy has successfully changed revenue mix across the Group which now comprises a suite of events and business intelligence products with strong recurring revenues making up 49 per cent. of revenue for the year ended 31 December 2016.

The Board believes that the Acquisition represents an excellent opportunity to reinforce and support this business strategy. It will enable the Group to become a stronger provider of marketing services with new capabilities to sell to Centaur's existing client base and introduce new clients to the Group.

Technological advances are enabling lead generation to be handled more efficiently by professional sophisticated telesales teams armed with high quality scientific data. In a highly digitised world, customer success strategies now require real, meaningful connections with people which will continue to rely on human interaction.

An extensive study of the advertising marketplace by Enders Analysis, published in May 2017, highlights short termism in marketing triggered by economic pressures, the rise in procurement and zero-based budgeting. These industry pressures, coupled with rapid digital innovation, are forcing businesses to continually review marketing effectiveness, with marketing investment being driven towards strategies that demonstrate clear returns on investment ("ROI"). Consequently, there has been radical change in the use of different media channels over the past 30 years. B2B telemarketing, however, has remained constant as an important element of the marketing mix. A survey in 2015 by B2B Marketing Magazine reported that 50 per cent. of respondents considered telemarketing as a 'critical or 'quite important' part of the marketing mix.

Meanwhile, improvements in marketing automation and predictive analytics are providing telemarketers with deeper insight – significantly raising the sophistication of the discipline with real time information on a potential customer's interest. With these technological and data advances, telemarketing can now 'close the loop' for B2B marketing, offering valuable product and service information to prospective buyers. The combination of these developments creates an opportunity for professional telesales services to grow into a more strategic resource and the Acquisition gives Centaur Media an opportunity to exploit these market dynamics.

The Board believes that, as marketing automation increases, valuable business opportunities will be lost without an infrastructure in place to handle leads swiftly, thoroughly and effectively. The Direct Marketing Association, February 2017, reports that a company responding to an inbound lead within five minutes is seven times more likely to qualify the lead than one that responds within an hour; and 60 times more likely than one that responds after 24 hours or longer.

While marketing automation removes basic transactional tasks, customers frequently need human interaction ("HI") to convert pre-qualified leads to sales, especially for complex high value products.

In general, the higher the order value, the greater the need for lead-nurturing processes and marketing automation tools that allow the more-costly HI to focus on sales. A survey carried out by Sci research, re-published recently by MG Marketing, concluded that 68 per cent. of all business-to-business sales involve HI and that the average order value with HI was £68,000 compared to the average order value without HI of just £1,000.

The Board believes that in the next five years the majority of sales and marketing teams will be using marketing automation tools. Telemarketers will no longer just read from pre-prepared scripts. Successful campaigns are just as much about closing a sale as they are about nurturing leads and providing information to support the client decision making process.

Given these major market developments, the Board believes that the Acquisition will bring new capabilities and skill-sets to the Group. These will broaden the marketing services offered to its existing customers, introduce new customers across the Group and enable accelerated growth of the Group's existing telesales led products. The Acquisition is consistent with Centaur management's strategy to move the Group's capabilities up the value chain by providing its customers with a wider and more sophisticated range of services.

MarketMakers is a market leading business with a proven track record of growth and innovation, offering B2B clients customer insight through data analytics, database management and lead generation; customer engagement and lead generation through digital communication and sales performance tracking and customer acquisition through customer sales and retention.

MarketMakers' capabilities are entirely complementary to Centaur's existing marketing services capabilities. The Acquisition has the potential to accelerate the growth of Centaur's digital subscription products with the introduction of automated marketing services combined with an integrated data analytics environment and efficient, lower cost sales channels. The Acquisition has the potential of cross-selling of MarketMakers' services to Centaur's customer base together with the introduction of new customers to Centaur.

The management of MarketMakers will remain with the business and are expected to play a role in introducing their company's capabilities across Centaur's customer base. The Acquisition may also offer potential overhead cost synergies through MarketMakers' out-of-London location. It could provide a practical low-cost means of transferring a substantial part of the Group's back-office operations over the next two years.

During its current phase of transformation, Centaur has either acquired or developed additional capabilities that are non-advertising reliant that include training, market reports, marketing procurement audits, bespoke consultancy, research and e-learning. All these additional capabilities are being applied to an increasingly professional customer base. The Acquisition is a further step in this strategy to provide the Group's clients with a widening range of value added services. In the future, further skills may be added to the Group's capabilities. These may include data analytics, research services, ecommerce skills, procurement analytics and services, amongst others.

### ***Information on MarketMakers***

MarketMakers was founded by Paul Thomas and Henry Braithwaite in 2004 and is based in Portsmouth. Henry Braithwaite, together with Kirsty Dawe and Tom James, are the senior managers of the business and will be joining Centaur upon Acquisition Completion. MarketMakers employs approximately 300 people and is ranked the No.1 telemarketing agency in the UK by B2B Marketing. MarketMakers has a proven track record of consistent growth with a strong balance sheet and has achieved growth in revenues of 27 per cent. over the last three years.

MarketMakers is the premier business in its industry, offering its blue chip, international B2B customer base a highly focussed suite of marketing support services. MarketMakers' customer base includes Citroen, American Express, Barclaycard, Travelodge, PRS, Virgin Atlantic and Booking.com.

MarketMakers offers a range of services including database enrichment, lead generation and B2B telemarketing, connecting outbound lead generation with B2B marketing. It has two business units: MarketMakers and ReallyB2B, both operating across automotive, financial services, manufacturing and fast-moving consumer goods, amongst others.

MarketMakers' suite of sophisticated competencies includes:

- *Customer Insight*: data analytics and refinement, lead generation and ongoing analysis;
- *Customer Engagement*: lead generation, targeted communication, sales performance tracking; and
- *Customer Acquisition*: appointment setting, sales and retention strategies.

MarketMakers has a proprietary data system branded "Vortex" which provides a differentiating proposition to its customer base. Vortex offers high quality bespoke reporting and a streamlined process that integrates with third party software. It combines all inbound enquiries, outbound data, campaign management, outbound callers, real time reporting, mobile accessibility and marketing channel performance within its single system. The Vortex focus on measurable ROI delivers high Client renewal rates; 70 per cent. of MarketMakers customers and 62 per cent. of Really customers renew at the end of their first contracts.

MarketMakers has developed a powerful suite of capabilities that are highly valued amongst the marketing community. Centaur management believes that the Acquisition will provide a significant impetus to its strategy to deliver an enhanced level of value to its current and future customer base.

### **Summary of financial information of MarketMakers**

The summarised financial information below for the year ended 31 December 2016 has been extracted without material adjustment from the financial information relating to MarketMakers, set out in Section B of Part III (*Historical Financial Information Relating to MarketMakers*) of this document, which should be read alongside this summary.

For the year ended 31 December 2016, revenues of MarketMakers were £11.4 million, and during the same period adjusted EBITDA was £1.7 million. Unadjusted EBITDA which includes charges for share options was £1.5m. As at 31 December 2016, MarketMakers' gross assets were £6.5 million.

### **Funding the Acquisition**

Completion of the Acquisition is conditional upon Disposal Completion taking place. Assuming the Disposal is completed, £16.5 million of the net proceeds from the Disposal will be used to fund the amount required to be paid on Acquisition Completion. Assuming earnings targets are met, the maximum consideration payable for the Acquisition will be £20.1 million.

### **Financial effects of the Acquisition**

An unaudited pro forma statement of net assets illustrating the effect of the Disposal and the Acquisition on the Group's net assets as at 31 December 2016 is set out in Section A of Part IV (*Unaudited Pro Forma Statement of Net Assets*) of this document.

The Board believes that the Acquisition will generate value for Shareholders and the opportunity for cost savings under the Group's ownership. These benefits and cost savings are contingent on the Acquisition and might not be achieved independently.

The Directors believe that MarketMakers will provide strong cash generation, which in turn will provide financial flexibility for continued investment in the Group's core strategic focus of B2B assets. Further details of the expected effects of completing the Acquisition and the Disposal are set out at paragraph 4 below.

### **Principal Terms of the Acquisition**

Under the terms of the Acquisition Agreement, Centaur Communications, a wholly owned subsidiary of Centaur Media, will acquire the entire issued share capital of MarketMakers from the Sellers for an initial fixed cash consideration of £13.4 million plus an additional amount representing certain tax adjustments and the surplus cash and working capital in MarketMakers (amounting to £3.1 million, of which £2.8 million is represented by surplus cash held within MarketMakers) and a deferred earnout amount based on EBITDA performance to the period ending 31 December 2017.

The maximum cash consideration payable when aggregated with the EBITDA earnout is: (i) £17.0 million; plus (ii) the additional amount representing certain tax adjustments and surplus cash and working capital in MarketMakers as at 31 December 2016 which amounts to £3.1 million, of which £2.8 million is represented by surplus cash held within MarketMakers.

Acquisition Completion is conditional upon Disposal Completion, the approval of the Acquisition by Shareholders through the passing of the Acquisition Resolution and approval by the FCA of the change in control arising as a result of the Acquisition. Further details of the Acquisition and a summary of the principal terms of the Acquisition Agreement and the Acquisition TSA are set out in more detail in Part VI (*Principal Terms of the Acquisition*) of this document.

The Board believes that the Disposal and the Acquisition will allow the Group to become fully focused on accelerating the execution of its B2B strategy whilst reducing its reliance on print and advertising which are both declining market sectors.

## **4. Current trading, financial position and future prospects of the Group**

### **Current trading and future prospects**

On 9 May 2017 the Centaur Media Group published a trading statement for the 13 weeks ended 31 March 2017. There has been no significant change to the current trading and prospects of the Centaur Media Group. The performance of the Centaur Media Group was described in the trading statement as:

*"The Group traded in line with management expectations in the first three months of the new financial year. As expected, headwinds seen across the print and digital advertising markets during 2016 have continued. Cash flow continued to improve and the Group further reduced its net debt."*

Please see paragraph 7 of Part VII "Additional Information" of this document in relation to the profit forecast made by the Company on 29 March 2017.

Following the Disposal and the Acquisition, the Group intends to continue to pursue its stated strategy to deliver improved performance by concentrating on B2B assets.

The Directors believe that the combined effect of the Disposal and Acquisition (assuming both complete) will be to initially reduce the Group's earnings whilst generating sufficient cash to strengthen its balance sheet and help enable the Group to pursue its B2B strategy.

The Group is expected to receive net cash proceeds of approximately £28.6 million (after deductions, fees and other transaction costs) from the Disposal. Completion of the Disposal only (without the Acquisition) will materially reduce the Group's earnings but will significantly strengthen the cash position of the Group with which to pursue further opportunities to grow the business.

## **5. Risk factors**

Shareholders should consider fully the risk factors set out in Part II (*Risk Factors*) of this document.

## **6. General Meeting**

A notice convening a general meeting of the Company to be held at 12 noon on 25 July 2017 at the offices of Dechert LLP, 160 Queen Victoria Street, London, EC4V 4QQ is set out at the end of this document. A Form of Proxy to be used in connection with the General Meeting is enclosed. The purpose of the General Meeting is to seek Shareholders' approval for the Transactions.

Resolution 1 contained in the Notice (the "**Disposal Resolution**") proposes that the Disposal be approved and that the Directors be authorised to take all steps and enter into all agreements and arrangements necessary or desirable to implement the Disposal. The Disposal will not proceed unless Resolution 1 is passed.

Resolution 2 contained in the Notice (the "**Acquisition Resolution**") proposes that the Acquisition be approved and that the Directors be authorised to take all steps and enter into all agreements and arrangements necessary or desirable to implement the Acquisition. The Acquisition will not proceed unless both Resolutions 1 and Resolution 2 are passed.

## **7. Action to be taken**

You will find enclosed a Form of Proxy for use at the General Meeting. Whether or not you intend to be present at that meeting, you are requested to complete the Form of Proxy (in accordance with the instructions printed thereon) and return it to the Company's registrars, Share Registrars Limited, The Courtyard, 17 West Street, Farnham, Surrey GU9 7DR as soon as possible and, in any event, so as to arrive by 12 noon on 23 July 2017. Completion and return of a Form of Proxy will not preclude you from attending that meeting and voting in person if you so wish.

## **8. Further information**

Your attention is drawn to the further information contained in Parts II to IX of this document.

You are advised to read the whole of this document and not to rely solely on the information contained in this letter.

## **9. Recommendation and voting intentions**

The Board considers the Transactions to be in the best interest of Shareholders as a whole.

Accordingly, the Board unanimously recommends that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting, as the Directors intend to do in respect of their own beneficial holdings amounting (as at 6 July 2017, being the latest practicable date prior to the publication of this document) to an aggregate of 365,600 Ordinary Shares, representing approximately 0.25 per cent. of the Ordinary Shares in issue.

The Company has also received irrevocable undertakings from certain Shareholders to vote in favour of the Resolutions in respect of an aggregate of 49,555,987 Ordinary Shares, representing approximately 34.29 per cent. of the Ordinary Shares in issue and non-binding letters of intent to vote in favour of the Resolutions in respect of an aggregate of 21,360,630 Ordinary Shares, representing approximately 14.78 per cent. of the Ordinary Shares in issue.

Yours faithfully,

**Ron Sandler**

*Chairman*

## PART II

### RISK FACTORS

*The following risk factors, which the Directors believe include all known material risks, should be carefully considered by Shareholders together with all information included or incorporated by reference into this document when deciding what action to take in relation to the Transactions. If any, or a combination of the following risks actually occurs, the business, financial condition, results of operations or prospects of the Group could be materially and adversely affected.*

*These risks should not be regarded as a complete and comprehensive statement of all potential risks and uncertainties. Additional risks and uncertainties relating to the Group that are not currently known to the Directors, or that the Directors currently deem immaterial or deem material to the Company but which will not result from or be impacted by the proposed Transactions, could also have a material adverse effect on the Group's business, financial condition, results of operations or prospects. In such case, the market price of the Ordinary Shares could decline and you may lose all or part of your investment.*

#### **1. Risk factors relating to the Disposal**

##### ***The Disposal is conditional and the Disposal Conditions may not be satisfied***

Completion of the Disposal is subject, amongst other things, to conditions including the approval of the Disposal Resolution by the Shareholders at the General Meeting prior to close of business on the Disposal Long Stop Date (or such later time as the parties may agree). In the event that the conditions are not satisfied by the Disposal Long Stop Date (or such later time as the parties may agree), the Disposal Agreement will automatically terminate.

If the Disposal Resolution is approved at the General Meeting prior to the Disposal Long Stop Date (or such later time as the parties may agree), the Company will be contractually obliged to proceed to Disposal Completion unless the Disposal Agreement is otherwise terminated in accordance with its terms.

In addition, the Disposal is conditional on the placing agreement entered into between Future PLC, Numis Securities Limited and N+1 Singer Advisory LLP in relation to a vendor placing of shares in Future PLC becoming unconditional in all respects, in accordance with its terms, and the UKLA having formally approved the prospectus to be issued by Future PLC pursuant to the Prospectus Rules and the Listing Rules.

If the Disposal does not complete, the Group will not receive the cash proceeds from the Disposal, as a result of which the Acquisition will not complete and the Group and will also forego the ability to reinvest the Disposal proceeds towards the corporate objective to focus on B2B.

##### ***General uncertainty related to the Disposal could harm the Group and/or the Home Interest Business***

Current and prospective advertising customers and exhibitors of the Home Interest Business may, in response to the announcement of the Disposal, become reluctant to make long term purchasing commitments primarily due to perceived uncertainty over the future of the Home Interest Business. If customers delay, change or defer purchasing decisions, the revenues of the Group and/or the Home Interest Business (in the period of time between the signing of the Disposal Agreement and Disposal Completion) could materially decline or any anticipated increases in revenue could be lower than expected. Speculation regarding the likelihood of Disposal Completion could also increase the volatility of the Company's share price in the period of time between the signing of the Disposal Agreement and Disposal Completion.

##### ***Exposure to liabilities under the Disposal Agreement***

The Disposal Agreement contains certain warranties and indemnities from Centaur Communications in favour of Future Publishing Limited, a wholly owned subsidiary of Future PLC. If Centaur Communications should incur liabilities under any of these warranties and indemnities, the costs of such liabilities could have an adverse effect on its business, financial condition, results of operations and prospects. Centaur Communications' liability under the warranties and indemnities in the Disposal Agreement are subject to

financial caps and time limitations. Further details of the Disposal Agreement, including the warranties and indemnities and the limitations on Centaur Communications' liability in respect thereof, are set out in Part V (*Principal Terms of the Disposal*) of this document.

#### ***The Group's operations after the Disposal will be less diversified***

Following the Disposal, the Group's business will be less diversified commercially and will comprise B2B assets. Weak performance in the Group's businesses will have a proportionately greater adverse impact on the financial condition of the Group and a greater risk of share price volatility following the Disposal. Any subsequent failure by the Group to replace the revenue generated by the Home Interest Business may have an adverse effect on the Group's financial condition.

If the Group does not successfully reduce its central overhead costs in proportion to the reduction in the size of its businesses as a whole following the Disposal, it may have an adverse effect on the Group's financial condition.

Following the Disposal, the Group will operate from a single location in central London and will be more susceptible to specific risks, including disruption to infrastructure, utilities, services, technologies and systems. Any disruption could adversely affect the Group's business.

## **2. Risks relating to the Disposal not proceeding**

#### ***The Company will not be able to complete the Acquisition***

The net proceeds from the Disposal will be used in part to provide all of the consideration for the Acquisition (assuming it proceeds). As a result, completion of the Acquisition is conditional upon completion of the Disposal. Accordingly, in the event the Disposal does not complete in accordance with its terms, the Acquisition will not be completed.

#### ***The Company may not realise the perceived benefits of the Disposal***

The Board is of the opinion that the Disposal is in the best interests of the Shareholders. Accordingly, if the Disposal does not complete the Company may not achieve the anticipated benefits of the Disposal namely to realise Shareholder value from this standalone business which is now of sufficient scale and performance that its divestment can attain an attractive price. This in turn will improve the prospects of the Group further by generating significant proceeds for appropriate reinvestments which the Group may explore aligned with the Group's core B2B business to improve future profitability and create Shareholder value. If the Disposal does not complete, the Company may encounter substantial unforeseen difficulties in effecting such appropriate reinvestments resulting in the anticipated improved profitability and consequent increase in Shareholder value increase failing to materialise.

#### ***Potentially disruptive effect on the Group***

If the Disposal does not proceed, employees of the Home Interest Business may be affected by potential disruption and key employees may choose to leave. Increased uncertainty may also negatively impact customer sentiment and/or the performance of the Home Interest Business under the Company's ownership. To maintain Shareholder value, the Company's management may be required to allocate additional time and cost to the ongoing supervision and development of the Home Interest Business, which is not part of the Group's strategic objectives.

#### ***Potential inability to dispose of the Home Interest Business in the future in favourable or equivalent market circumstances***

If the Disposal is not approved by Shareholders, it will become incapable of completion. If this were to occur, there would be no assurance that the Company would be able to dispose of the Home Interest Business at a later date, in favourable or equivalent market circumstances. The Board has determined that the Disposal offers attractive value for Shareholders in the short term, as well as improving the prospects of the Group in the medium to long term.

### **3. Transitional Services Agreements**

#### **Risks relating to the Group**

Pursuant to the terms of the Disposal Agreement, Centaur Communications will enter into an agreed form transitional services agreement at Disposal Completion with Ascent Publishing and Centaur Consumer Exhibitions (the “**Disposal TSA**”) pursuant to which Centaur Communications will provide certain services to Ascent Publishing for up to three months following Disposal Completion and will provide certain support staff to Ascent Publishing until 31 December 2017 while this separation is taking place. Pursuant to the terms of the Acquisition Agreement, MarketMakers and Lead Forensics Limited (a company owned by the Sellers of MarketMakers) will enter into an agreed form transitional services agreement at Acquisition Completion relating to the provision of transitional services by MarketMakers to Lead Forensics and vice versa between Acquisition Completion and 31 December 2017 (the “**Acquisition TSA**”). Pursuant to the Acquisition TSA, MarketMakers will provide certain IT services, credit control, and certain other head-office services. Lead Forensics will provide back up services in relation to telephony systems to MarketMakers.

The Group will incur costs in implementing the terms of the Disposal TSA and the Acquisition TSA and the provision of these services could impact on the functioning of its continuing business as a result of the fulfilment of its obligations under the Disposal TSA and Acquisition TSA, which could adversely affect the financial condition and results of operations of the Group. Furthermore, a failure by Lead Forensics to provide the services required under the Acquisition TSA could impact on the functioning of MarketMakers and require cost to ensure the provision of such services from other sources, which could adversely affect the financial condition and results of operations of the Group.

Further details of the Disposal TSA are set out in Part V (*Principal Terms of the Disposal*) of this document and further details of the Acquisition TSA are set out in Part VI (*Principal Terms of the Acquisition*) of this document.

### **4. Risk factors relating to the Acquisition**

#### ***The Acquisition is conditional and the Acquisition conditions may not be satisfied***

Completion of the Acquisition is subject, amongst other things, to conditions including Disposal Completion, the approval of the Acquisition Resolution by the Shareholders at the General Meeting and approval by the FCA of the change in control arising as a result of the Acquisition prior to the Acquisition Long Stop Date (or such later date as the parties may agree). In the event that the conditions are not satisfied by the Acquisition Long Stop Date (or such later date as the parties may agree), the Acquisition Agreement will automatically terminate.

#### ***Adverse change in the financial condition of MarketMakers***

Pursuant to the terms of the Acquisition Agreement, the Group may only terminate the Acquisition Agreement prior to Acquisition Completion in certain circumstances (details of which are set out in paragraph 6 of Part VI (*Principal Terms of the Acquisition*)) or if the Acquisition Conditions are not satisfied or waived. Acquisition Completion is expected to occur on 4 August 2017, subject to the passing of the Acquisition Resolution by Shareholders. Until Acquisition Completion, the Group will not own MarketMakers and it is possible that there could be an adverse event affecting MarketMakers’ business which would not give rise to a right of the Group to terminate the Acquisition Agreement. In such an event, the value of MarketMakers may be less than the consideration paid by the Group and, accordingly, the net assets of the Group could be reduced.

#### ***The Acquisition Agreement includes limited protections provided to the Group by the Sellers***

The liability of the Sellers pursuant to the Acquisition Agreement is limited in time and amount. In particular, the Sellers’ liability for claims under the warranties, indemnities and tax covenant is limited to 25 per cent. of the consideration received by the Sellers from time to time. Accordingly, the Group may not have recourse against, or otherwise be able to recover from, the Sellers in respect of material losses which it may suffer in respect of a breach of warranty or otherwise in respect of liabilities of MarketMakers.

### **Risk that MarketMakers' results will not match the Group's expectations**

If the results and cash flows generated by MarketMakers are not in line with the Group's expectations, the financial performance of the Group following completion of the Acquisition may be materially lower than have been estimated and a write-down may be required against the carrying value of the Company's investment in MarketMakers. A write-down could have an adverse effect on the Group's financial position and operating results. Such a write-down may also reduce the Group's ability to generate or maintain distributable reserves by the extent of the write-down and consequently may affect the Group's ability to pay dividends to holders of Ordinary Shares.

### **5. Risks relating to the Group following completion of the Acquisition**

***Following Acquisition Completion, the Group may experience difficulties in integrating the management and operation of MarketMakers with the existing businesses carried on by the Group and the Group may not realise, or it might take the Group longer than expected to realise, certain or all of the anticipated benefits of the Acquisition***

Although the Group intends to operate MarketMakers as a stand-alone business after Acquisition Completion, the Acquisition will require the partial integration of MarketMakers with the existing head office functions of the Group and the success of the Group will depend, in part, on the effectiveness of the integration process and the ability of the Group to realise the anticipated benefits and synergies from partially combining the respective businesses.

The partial integration of MarketMakers may involve challenges, some of which may not be known until after Acquisition Completion and could potentially lead to operational interruption or a loss of key personnel, either or both of which could have an adverse effect on the business, financial condition and results of operations of the Group. The Group's management team will be required to devote attention and resources to integrating their respective business practices and operations.

The Group and MarketMakers expect to incur a number of costs in relation to the Acquisition, including integration and post-Acquisition Completion costs, which could exceed amounts estimated. There may also be further additional and unforeseen expenses incurred or revenue reductions in connection with the Acquisition. These costs and impacts upon revenue could have an adverse effect on the operating results, business, financial condition and prospects of the Group.

There can be no assurance that the Group will realise the potential benefits of the Acquisition, including synergies, to the extent and within the timeframe contemplated or at all. If the Group is unable to successfully integrate MarketMakers, this could have a negative impact on the business, results of operations, financial condition and/or prospects of the Group.

### **6. Risks relating to processing the Acquisition and Disposal at the same time**

***Completion of the Acquisition and Disposal at the same or near the same time may lead to integration and execution difficulties.***

The integration of MarketMakers may involve challenges, some of which may not be known until Acquisition Completion. At the same time, having to provide services under the TSA and managing the Group following completion of the Acquisition and Disposal may have an adverse effect on the business of the Group.

### **7. Risks relating to the Acquisition not proceeding**

***The Company may not realise the perceived benefits of the Acquisition***

The Board is of the opinion that the Acquisition is in the best interests of the Shareholders. Accordingly, if the Acquisition does not complete the Company may not realise the anticipated benefits of the Acquisition, namely to generate additional revenues and profits from the ability to become a stronger provider of marketing services with new capabilities to sell to Centaur's existing client base and introduce new clients to the Centaur Media Group.

***If the Disposal occurs without the Acquisition, the Group may become subscale and earnings will be materially reduced***

If the Disposal occurs but the Acquisition does not take place, the Group may become subscale and suffer from a loss of profits which may not be mitigated from overhead reduction and the growth of profits elsewhere in the Group. For the year ended 31 December 2016, the Home Interest Business made a significant contribution to the Group's revenues and profits; as such, completion of the Disposal only (without the Acquisition) will materially reduce the Group's earnings. Furthermore, such a situation may prevent the Group from realising its strategy of building a fully focussed digitally aligned Group, which could have a negative impact on the business, results of operations, financial condition and/or prospects of the Group.

**8. Risks resulting from neither the Acquisition nor the Disposal completing**

***If neither transaction occurs, the Group's strategy may not be realised.***

If neither transaction happens, this may prevent the Group from realising its strategy of building a fully focussed digitally aligned Group which offers a range of products and services that enable professionals to optimise their business performance including market insight, data, consultancy and events which could have a negative impact on the business, results of operations, financial condition and/or prospects of the Group.

**9. Risks relating to Ordinary Shares**

***The market price of the Ordinary Shares may go down as well as up***

Shareholders should be aware that the value of an investment in the Group may go down as well as up and can be highly volatile. The price at which the Ordinary Shares may be quoted and the price which investors may realise for their Ordinary Shares will be influenced by a large number of factors, some specific to the Group and its operations and some which may affect the industry as a whole, other comparable companies or publicly traded companies as a whole. The sentiments of the stock market regarding the Transactions will be one such factor and this, together with other factors including the actual or anticipated fluctuations in the financial performance of the Group and its competitors, market fluctuations, and legislative or regulatory changes in the manufacturing industry, could lead to the market price of the Ordinary Shares going up or down.

## PART III

### SECTION A: HISTORICAL FINANCIAL INFORMATION RELATING TO THE HOME INTEREST BUSINESS

The following financial information relating to the Home Interest Business has been extracted without material adjustment from the consolidation schedules that support Centaur Media's audited consolidated financial statements for the 18 months ended 31 December 2014 and each of the years ended 31 December 2015 and 31 December 2016, other than the adjustments to reflect the allocation of corporate income and costs which are described in the notes to the Historical Financial Information relating to the Home Interest Business. The Directors believe that such allocations provide a reasonable basis for the presentation of the financial information for the Home Interest Business to enable Shareholders to make a fully informed voting decision.

The financial information in this Section A of Part III (*Historical Financial Information relating to the Home Interest Business*) of this document has not been audited and has been prepared in compliance with the IFRS accounting policies adopted in Centaur Media's latest audited accounts for the year ended 31 December 2016.

The financial information contained in this section A of Part III (*Historical Financial Information relating to the Home Interest Business*) does not constitute statutory accounts within the meaning of section 434(3) of the Companies Act 2006. Centaur Media's statutory accounts in respect of the 18 months ended 31 December 2014 and each of the years ended 31 December 2015 and 31 December 2016, have been delivered to the Registrar of Companies. The auditors' reports in respect of those statutory accounts for the three periods were unqualified and did not contain statements under section 498 (2) or (3) of the Companies Act 2006. PricewaterhouseCoopers LLP were the auditors of the Group in respect of these periods.

Shareholders should read the whole of this document and not rely solely on the summarised financial information contained in this Section A of Part III (*Historical Financial Information relating to the Home Interest Business*) of this document.

## INCOME STATEMENT

For the 18 months ended 31 December 2014 and for each of the years ended 31 December 2015 and 31 December 2016:

	Year ended 31 December 2016 £'000	Year ended 31 December 2015 £'000	18 months ended 31 December 2014 £'000
Revenue	12,766	11,623	15,846
Operating expenses	<u>(9,704)</u>	<u>(9,023)</u>	<u>(13,928)</u>
<b>Profit before Taxation</b>	<b>3,062</b>	<b>2,600</b>	<b>1,918</b>
Taxation	<u>(615)</u>	<u>(527)</u>	<u>(451)</u>
<b>Profit after taxation</b>	<b><u>2,447</u></b>	<b><u>2,073</u></b>	<b><u>1,467</u></b>
	Year ended 31 December 2016 £'000,000	Year ended 31 December 2015 £'000,000	18 months ended 31 December 2014 £'000,000
<b>EBITDA</b>	<b><u>3.3</u></b>	<b><u>2.9</u></b>	<b><u>2.3</u></b>

Notes:

1. The income statements presented above are unaudited and have been extracted without material adjustment from the consolidation schedules that support Centaur Media's audited consolidated financial statements.
2. The allocation of corporate income and costs were made on a direct usage basis when identifiable, with the remainder allocated on the basis of revenue, headcount or other relevant measures.

## **NET ASSET STATEMENT**

Net Asset Statement of the Home Interest Business as at 31 December 2016:

	As at 31 December 2016 £'000
<b>Non-current assets</b>	
Intangible assets	95
Property, plant and equipment	38
Deferred income tax assets	39
	<hr/>
	172
<b>Current assets</b>	
Inventories	514
Trade and other receivables	3,583
Cash and cash equivalents	151
	<hr/>
<b>Total assets</b>	4,248
<b>Current liabilities</b>	
Trade and other payables	(1,981)
Deferred Income	(3,343)
Corporation tax payable	(615)
	<hr/>
<b>Total liabilities</b>	(5,939)
<b>Net liabilities</b>	<hr/> <hr/> (1,519)

### **Notes:**

1. Net liabilities of £1.5 million do not include goodwill held at the Centaur Group level relating to the acquisition of the Home Interest Group of £7.5 million.

## SECTION B: HISTORICAL FINANCIAL INFORMATION RELATING TO MARKETMAKERS

### STATEMENT OF COMPREHENSIVE INCOME

For the years ended 31 December 2014, 31 December 2015 and 31 December 2016:

	Note	Year ended 31 December 2016 £'000	Year ended 31 December 2015 £'000	Year ended 31 December 2014 £'000
Revenue	4	11,416	10,142	8,958
Cost of sales	5a	(7,289)	(6,557)	(5,474)
<b>Gross profit</b>		4,127	3,585	3,484
Administrative expenses	5b	(2,779)	(2,341)	(1,970)
<b>Operating profit</b>		1,348	1,244	1,514
Finance income		4	3	6
<b>Profit before taxation</b>	8	1,352	1,247	1,520
Taxation	9	(319)	(264)	(333)
<b>Profit for the year and total comprehensive income attributable to owners of MarketMakers</b>		<u>1,033</u>	<u>983</u>	<u>1,187</u>

## STATEMENT OF FINANCIAL POSITION

As at 31 December 2014, 31 December 2015 and 31 December 2016:

	Note	31 December 2016 £'000	31 December 2015 £'000	31 December 2014 £'000
<b>Non-current assets</b>				
Property, plant and equipment	11	186	214	281
		<u>186</u>	<u>214</u>	<u>281</u>
<b>Current assets</b>				
Trade and other receivables	12	3,584	2,045	1,261
Cash and cash equivalents		2,778	2,683	2,589
		<u>6,362</u>	<u>4,728</u>	<u>3,850</u>
<b>Total assets</b>		<u>6,548</u>	<u>4,942</u>	<u>4,131</u>
<b>Current liabilities</b>				
Trade and other payables	13	(1,586)	(1,322)	(1,341)
Deferred income		(1,427)	(606)	(554)
		<u>(3,013)</u>	<u>(1,928)</u>	<u>(1,895)</u>
<b>Total assets less current liabilities</b>		<u>3,535</u>	<u>3,014</u>	<u>2,236</u>
<b>Non-current liabilities</b>				
Deferred tax liabilities	14	(19)	(22)	(34)
<b>Net assets</b>		<u>3,516</u>	<u>2,992</u>	<u>2,202</u>
<b>Equity</b>				
Share capital <sup>1</sup>	16	—	—	—
Retained earnings		3,516	2,992	2,202
<b>Total equity attributable to owners of MarketMakers</b>		<u>3,516</u>	<u>2,992</u>	<u>2,202</u>

1 The issued share capital is £1, but due to rounding is not included in this statement

## STATEMENT OF CHANGES IN EQUITY

As at 31 December 2014, 31 December 2015 and 31 December 2016:

	Note	Share capital <sup>2</sup> £000	Retained earnings £000	Total £000
<b>Balance at 1 January 2014</b>		–	1,378	1,378
Profit and total comprehensive income for the year		–	1,187	1,187
Dividends	10	–	(374)	(374)
Credit to equity in respect of share based payments		–	11	11
<b>Balance at 31 December 2014</b>		–	2,202	2,202
<b>Balance at 1 January 2015</b>		–	2,202	2,202
Profit and total comprehensive income for the year		–	983	983
Dividends	10	–	(241)	(241)
Credit to equity in respect of share based payments		–	48	48
<b>Balance at 31 December 2015</b>		–	2,992	2,992
<b>Balance at 1 January 2016</b>		–	2,992	2,992
Profit and total comprehensive income for the period		–	1,033	1,033
Dividends	10	–	(738)	(738)
Credit to equity in respect of share based payments		–	229	229
<b>Balance at 31 December 2016</b>		–	<u>3,516</u>	<u>3,516</u>

2 The issued share capital is £1, but due to rounding is not included in this statement

## STATEMENT OF CASH FLOWS

As at 31 December 2014, 31 December 2015 and 31 December 2016:

	Note	Year ended 31 December 2014 £'000	Year ended 31 December 2015 £'000	Year ended 31 December 2016 £'000
<b>Cash flows from operating activities</b>				
Cash generated from operations	19	1,230	686	1,961
Income taxes paid		(307)	(280)	(357)
<b>Net cash inflow from operating activities</b>		923	406	1,604
<b>Investing activities</b>				
Purchase of property, plant and equipment		(94)	(74)	(148)
Interest received		4	3	6
<b>Net cash used in investing activities</b>		(90)	(71)	(142)
<b>Financing activities</b>				
Dividends paid		(738)	(241)	(374)
<b>Net cash used in financing activities</b>		(738)	(241)	(374)
<b>Net increase in cash equivalents</b>		95	94	1,088
Cash and cash equivalents at beginning of year		2,683	2,589	1,501
<b>Cash and cash equivalents at end of year</b>		<u>2,778</u>	<u>2,683</u>	<u>2,589</u>

### Notes to the historical financial information:

For the three years ended 31 December 2016

#### 1. General information

MarketMakers is a limited company domiciled and incorporated in England and Wales. Its registered office and principal place of business is 1000 Lakeside, North Harbour, Western Road, Portsmouth, PO6 3EN.

MarketMakers provides a range of business to business (B2B) telemarketing and lead generation services to clients.

#### 2. Significant accounting policies

The principal accounting policies adopted in the preparation of this historical financial information are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

#### Basis of preparation

The historical financial information has been prepared in accordance with International Financial Reporting Standards ('IFRS') and interpretations issued by the International Financial Reporting Standards Interpretations Committee ('IFRS IC') as adopted by the European Union.

#### New and amended standards adopted by MarketMakers

None of the new standards and amendments to standards that were mandatory for the first time for the financial year commencing 1 January 2016 affected any of the amounts recognised in the year ended 31 December 2016 or any prior period, and are not likely to affect future periods.

### *New standards and interpretations not yet adopted*

The following new accounting standards and interpretations have been published that were not mandatory for 31 December 2016 reporting periods and have not been early adopted by MarketMakers:

**IFRS 9: Financial Instruments** is a new standard which enhances the ability of investors and other users of historical financial information to understand the accounting for financial assets and reduces complexity. The standard uses a single approach to determine whether a financial asset is measured at amortised cost or fair value, replacing the various rules in IAS 39, and also introduces a new expected loss impairment model. This standard is effective for accounting periods commencing on or after 1 January 2018, and the impact is not expected to be material.

**IFRS 15: Revenue from Contracts with Customers** is a new standard based on a five-step model framework, which replaces all existing revenue recognition standards. The standard requires revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This standard is effective for accounting periods commencing on or after 1 January 2018 and the directors are considering the potential impact.

There are no other standards that are not yet effective and that would be expected to have a material impact on MarketMakers in the current or future reporting periods and on foreseeable future transactions.

### ***Going concern***

The historical financial information has been prepared on a going concern basis. MarketMakers is profitable and has net current assets and net assets. The Directors consider MarketMakers has reasonable resources in order to continue in operation for the foreseeable future and accordingly they have adopted the going concern assumption in the preparation of the historical financial information.

### ***Revenue recognition***

Revenue represents amounts receivable for the provision of telemarketing and marketing strategy services provided in the normal course of business, net of discounts and value added tax. Revenue is measured at the fair value of consideration received or receivable for services provided.

MarketMakers recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to it and specific criteria have been met for each of MarketMakers' activities as described below.

- Revenues from telemarketing services are recognised in the period in which calls occur.
- Revenues from marketing services are recognised over the period during which the services take place. Specific deliverables are agreed in advance with customers. A billing schedule accompanies this and income is recognised as the work is performed each month. Consideration received in advance for these services is deferred and recognised in the period in which the services are provided.

### ***Segmental reporting***

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The board of directors has been identified as the chief operating decision-maker, responsible for allocating resources and assessing performance. MarketMakers operates in one market-facing segment: Marketing Services and as such MarketMakers has not presented any segmental reporting analysis within this historical financial information. Within that segment revenues are classified by class of business – telemarketing services and strategic marketing services. MarketMakers' business is generated substantially in the UK.

### **Property, plant and equipment**

Property, plant and equipment is stated at historical cost less accumulated depreciation and impairment losses. The historical cost of property, plant and equipment is the purchase cost together with any incidental direct costs of acquisition. Depreciation is calculated to write off the cost, less estimated residual value, of assets, on a straight line-basis over the expected useful economic lives to MarketMakers:

Fixtures and fittings	10 years
Computer and other equipment	3 to 5 years

Residual values, where applicable, are reviewed annually against prevailing market values. Each year, a review of the estimated useful economic life of each asset is carried out to ensure depreciation rates are appropriate and depreciation rates adjusted on a prospective basis if necessary. The carrying values of assets are written down immediately to recoverable amount if considered to be impaired. Depreciation is included in administrative expenses.

### **Financial instruments**

Financial assets and liabilities are recognised at cost, which is considered to approximate fair value, when MarketMakers becomes a party to the relevant contractual provisions of the instrument.

#### **(i) Financial assets**

The classification of financial assets depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

All of MarketMakers' financial assets have been classified as loans and receivables. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than twelve months after the balance sheet date. These are classified as non-current assets. MarketMakers' loans and receivables comprise trade and other receivables and cash and cash equivalents in the balance sheet. Loans and receivables are carried at amortised cost using the effective interest method.

#### **(ii) Trade receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

A provision for impairment of trade receivables is established when there is objective evidence that MarketMakers will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the statement of comprehensive income within other costs. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against other costs in the statement of comprehensive income.

#### **(iii) Cash and cash equivalents**

Cash and cash equivalents includes cash in hand and deposits repayable on demand or maturing within three months of the balance sheet date.

#### **(iv) Financial liabilities**

Debt and trade payables are recognised initially at fair value based on amounts exchanged, net of transaction costs, and subsequently at amortised cost.

Interest expense on debt is accounted for using the effective interest method and, is recognised in finance income.

(v) *Trade payables*

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

(vi) *Derivative financial instruments*

MarketMakers does not hold any derivative financial instruments either for trading purposes or designated as hedges.

**Taxation**

The tax expense represents the sum of current and deferred tax.

Current tax is based on the taxable profit for the period. Taxable profit differs from profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years, and it further includes items that are never taxable or deductible. MarketMakers' liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is provided in full, using the liability method, on temporary differences between the carrying amounts of assets and liabilities in the historical financial information and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available to utilise those temporary differences and losses. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax is calculated at the enacted or substantively enacted tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited to the statement of comprehensive income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is recognised directly in equity.

**Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of property plant and equipment.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when MarketMakers is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**Retirement benefits**

MarketMakers operate a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of MarketMakers in an independently administered fund. Contributions to defined contribution schemes are charged to the statement of comprehensive income when employer contributions become payable.

**Share based payments**

MarketMakers operate an enterprise management incentive scheme. Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted using a suitable valuation model. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of shares that will eventually vest. A corresponding adjustment is made to equity.

**Leases**

Agreements under which payments are made to owners in return for the right to use an asset for a period are accounted for as leases. Leases that transfer substantially all of the risks and rewards of ownership are

recognised at the commencement of the lease term as finance leases within property, plant and equipment and debt at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. All other leases are classified as operating leases and the cost is recognised in profit and loss on a straight-line basis.

#### **Foreign currencies**

(i) *Functional and presentation currency*

The historical financial information is presented in pounds sterling, which is the currency of the primary economic environment in which MarketMakers operates (its functional currency).

(ii) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss.

### **3. Critical accounting judgements and key sources of estimation uncertainty**

In the application of MarketMakers' accounting policies, which are described in note 2, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions 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.

#### **Key sources of estimation uncertainty**

The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

##### *Depreciation and amortisation*

MarketMakers exercise judgement to determine useful lives and residual values of property, plant and machinery. The assets are depreciated to their residual values over their estimated useful lives.

##### *Recoverability of trade receivables*

The recoverability of trade receivables requires judgement. MarketMakers use all available evidence to determine the appropriate level of provision to record for impairment of trade receivables, including historical trends, collections post year end and the ageing of the receivables balance. Further details on trade receivables are included in note 12.

##### *Calculation of share-based payment charges*

The charge related to equity-settled transactions with employees is measured by reference to the fair value of the equity instruments at the date they were granted, using an appropriate valuation model selected according to the terms and conditions of the grant. Judgement is applied in determining the most appropriate valuation model and in determining the inputs to the model. Further detail in relation to share options is provided in note 15.

#### 4. Revenue

An analysis of MarketMakers' revenue by class of business is set out below.

	Year ended 31 December 2016 £'000	Year ended 31 December 2015 £'000	Year ended 31 December 2014 £'000
Telemarketing services	8,600	7,842	7,429
Strategic marketing services	<u>2,816</u>	<u>2,300</u>	<u>1,529</u>
	<u><u>11,416</u></u>	<u><u>10,142</u></u>	<u><u>8,958</u></u>

No one customer provided more than 10 per cent. of revenue for any of the years ended 31 December 2014, 2015 or 2016.

#### 5. Expenses by category

##### a. Cost of sales

	Year ended 31 December 2016 £'000	Year ended 31 December 2015 £'000	Year ended 31 December 2014 £'000
Staff costs	7,123	6,327	5,388
Other costs	<u>166</u>	<u>230</u>	<u>86</u>
	<u><u>7,289</u></u>	<u><u>6,557</u></u>	<u><u>5,474</u></u>

##### b. Administrative expenses

	Year ended 31 December 2016 £'000	Year ended 31 December 2015 £'000	Year ended 31 December 2014 £'000
Marketing costs	900	725	504
Staff costs	496	391	225
Rent and rates	232	144	122
Depreciation	122	126	121
Other costs	<u>1,030</u>	<u>955</u>	<u>998</u>
	<u><u>2,779</u></u>	<u><u>2,341</u></u>	<u><u>1,970</u></u>

#### 6. Staff costs

The aggregate remuneration comprised:

	Year ended 31 December 2016 £'000	Year ended 31 December 2015 £'000	Year ended 31 December 2014 £'000
Wages and salaries	6,751	6,071	5,119
Share based payment charges	228	48	11
Social security costs	599	566	470
Pension costs	<u>41</u>	<u>33</u>	<u>13</u>
	<u><u>7,619</u></u>	<u><u>6,718</u></u>	<u><u>5,613</u></u>

## 7. Directors' and key management remuneration

Key management is defined as the directors of MarketMakers. Their aggregate remuneration comprised:

	Year ended 31 December		
	2016 £'000	2015 £'000	2014 £'000
<b>Short term benefits</b>			
Salaries, fees, bonuses and remuneration and benefits in kind	42	78	114
Social security costs	1	9	13
Sums paid to third parties for directors' services	51	—	—
	<b>94</b>	<b>87</b>	<b>127</b>

## 8. Profit for the year

Profit for the year has been arrived at after charging:

	Year ended 31 December 2016 £'000	Year ended 31 December 2015 £'000	Year ended 31 December 2014 £'000
Fees payable to MarketMakers' auditor for the audit of MarketMakers' financial statements	13	10	10
Depreciation of property, plant and equipment	122	126	121
Share based payments	228	48	11
Operating lease charges	107	145	105
	<b>470</b>	<b>329</b>	<b>247</b>

## 9. Taxation

	Year ended 31 December 2016 £'000	Year ended 31 December 2015 £'000	Year ended 31 December 2014 £'000
Analysis of charge for the period:			
Current tax			
UK Corporation tax	322	276	324
Origination and reversal of timing differences	(2)	(9)	9
Changes in tax rate	(1)	(3)	—
	<b>319</b>	<b>264</b>	<b>333</b>

Corporation tax is calculated at 20.0 per cent. (2015: 20.25 per cent.; 2014: 21.5 per cent.) of the estimated taxable profit for the year. The tax charge for the year can be reconciled to the profit in the income statement as follows:

	Year ended 31 December 2016 £'000	Year ended 31 December 2015 £'000	Year ended 31 December 2014 £'000
Profit before tax	1,352	1,247	1,520
Expected tax charge based on the standard rate of corporation tax in the UK of 20.0 per cent. (2015: 20.25 per cent.; 2014: 21.50 per cent.)	270	249	304
Tax effect of expenses that are not deductible in determining taxable profit	50	17	29
Amounts relating to change in tax rates	(1)	(2)	—
Tax expense for the year	<b>319</b>	<b>264</b>	<b>333</b>

The Finance Act 2015 included legislation to reduce the main rate of corporation tax from 20 per cent. to 19 per cent. from 1 April 2017 and to 18 per cent. from 1 April 2020. This change had been substantively enacted at the balance sheet date and, therefore, MarketMakers' deferred tax balances are recorded at 19 per cent.

## 10. Dividends

	2016 £'000	2015 £'000	2014 £'000
Final paid	<u>738</u>	<u>241</u>	<u>374</u>

Dividends of £738,000 (£99.49 per A ordinary share and £35.37 per B ordinary share) were paid in the year ended 31 December 2016. Dividends of £241,000 (£23.83 per A ordinary share and £24.40 per B ordinary share) were paid in the year ended 31 December 2015. Dividends of £374,000 (£25.59 per A ordinary share and £55.14 per B ordinary share) were paid in the year ended 31 December 2014.

The A and B ordinary shares rank pari passu in all respects in relation to voting rights, rights to capital distributions and on a winding up of MarketMakers but carry separate rights to receive dividends.

## 11. Property, plant and equipment

	Leasehold property £'000	Fixtures and fittings £'000	Computer equipment £'000	Equipment £'000	Total £'000
<b>Cost</b>					
At 1 January 2014	30	110	336	–	476
Additions	–	39	108	–	147
At 31 December 2014	30	149	444	–	623
At 1 January 2015	30	149	444	–	623
Transfer	–	–	(90)	90	–
Additions	–	10	60	4	74
Disposals	(30)	–	(16)	–	(46)
At 31 December 2015	–	159	398	94	651
At 1 January 2016	–	159	398	94	651
Additions	–	11	57	26	94
Disposals	–	–	(34)	–	(34)
At 31 December 2016	<u>–</u>	<u>170</u>	<u>421</u>	<u>120</u>	<u>711</u>
<b>Accumulated depreciation and impairment</b>					
At 1 January 2014	30	155	–	221	–
Charge for the year	–	21	100	–	121
At 31 December 2014	30	57	255	–	342
At 1 January 2015	30	57	255	–	342
Transfer	–	–	(41)	41	–
Charge for the year	–	26	82	18	126
Disposals	(30)	–	(1)	–	(31)
At 31 December 2015	–	83	295	59	437
At 1 January 2016	–	83	295	59	437
Charge for the year	–	32	70	20	122
Disposals	–	–	(34)	–	(34)
At 31 December 2016	<u>–</u>	<u>115</u>	<u>331</u>	<u>79</u>	<u>525</u>
Carrying amount					
At 31 December 2016	<u>–</u>	<u>55</u>	<u>90</u>	<u>41</u>	<u>186</u>
At 31 December 2015	<u>–</u>	<u>76</u>	<u>103</u>	<u>35</u>	<u>214</u>
At 31 December 2014	<u>–</u>	<u>92</u>	<u>189</u>	<u>–</u>	<u>281</u>

## 12. Trade and other receivables

	31 December 2016 £'000	31 December 2015 £'000	31 December 2014 £'000
Trade receivables	2,341	818	654
Other receivables	733	770	255
Prepayments	204	180	151
Accrued income	306	277	201
	<u>3,584</u>	<u>2,045</u>	<u>1,261</u>

### Directors' loans

At 31 December 2016 Mr P Thomas, a director of MarketMakers and also a shareholder, owed approximately £392,000 (2015: £587,000; 2014: £133,000) to MarketMakers. These balances are included within other receivables. The Directors consider that all transactions giving rise to the loans were on arm's length basis. No interest has been charged on the outstanding amounts.

At 31 December 2016 Mr H R C Braithwaite, a director of MarketMakers and also a shareholder, owed £313,000 (2015: £61,000; 2014: £Nil) to MarketMakers. The maximum amount outstanding throughout the year ended 31 December 2016 was £313,000 (2015: £61,000; 2014: £Nil). These balances are included within other receivables. The Directors consider that all transactions giving rise to the loans were on arm's length basis. No interest has been charged on the outstanding amounts.

During the year ended 31 December 2016 MarketMakers paid dividends of £738,000 (2015: £241,000; 2014: £374,000) to Mr P Thomas and Mr H R C Braithwaite, both of whom are directors of MarketMakers.

## 13. Trade and other payables

	31 December 2016 £'000	31 December 2015 £'000	31 December 2014 £'000
Trade payables	156	58	139
Accruals	355	434	440
Corporation tax payable	161	146	152
Other payables	71	113	110
Other taxation and social security	843	571	500
	<u>1,586</u>	<u>1,322</u>	<u>1,341</u>

## 14. Deferred tax liabilities

	Accelerated capital allowances £000
At 1 January 2014	25
Provision in the period	9
At 1 January 2015	34
Release in the period	(12)
At 1 January 2016	22
Release in the period	(3)
At 31 December 2016	<u>19</u>

Deferred tax assets and liabilities are offset where MarketMakers have a legally enforceable right to do so.

## **15. Share based payment transactions**

MarketMakers operate an enterprise management incentive scheme for certain employees. Under the terms of the scheme a maximum of 838 options were granted in the year ended 31 December 2014, with the number of options which will eventually vest being subject to certain performance obligations. Share options issued under the scheme are measured at fair value at the date of grant by reference to the fair value of the underlying shares using a valuation model based on a multiple of earnings methodology. The weighted average fair value of all options granted under the scheme was £660 per option. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period of five years based on the estimated number of shares expected to eventually vest. During the year ended 31 December 2016 the vesting period was reduced to 33 months for all options. During the year ended 31 December 2016 £228,000 was charged to the Statement of Comprehensive Income in respect of the share options in issue (2015: £48,000; 2014: £11,000). Corresponding adjustments were made to equity.

At the respective balance sheet dates there were unexercised options over ordinary shares of £0.0001 per share as follows:

	31 December 2016	31 December 2015	31 December 2014
Options issued at start of period	838	838	–
Options issued in period	–	–	838
Options issued at end of period	<u>838</u>	<u>838</u>	<u>838</u>

Of the share options in issue a prepaid exercise price of £67.11 per share applies to 298 shares which on exercise is replaced with the par value, and any prepaid amount in excess of the par value is refunded. The total prepaid element of the share options exercise price is £20,000.

The options can only be exercised on sale or flotation of MarketMakers and the options have an expiry date of 16 September 2024.

No options were exercised, granted or forfeited during any of the three years ended 31 December 2016.

## **16. Share capital**

	31 December 2016	31 December 2015	31 December 2014
	£	£	£
<b>Ordinary share capital</b>			
<b>Issued and fully paid</b>			
6,000 Ordinary A shares of £0.0001 each	0.60	0.60	0.60
4,000 Ordinary B shares of £0.0001 each	0.40	0.40	0.40
	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>

On 4 April 2014 MarketMakers sub-divided the Ordinary A and Ordinary B shares (6 shares and 4 shares respectively) from a nominal value each of £0.10 to a nominal value each of £0.0001. As a result of the sub-division, there are 6,000 Ordinary A shares and 4,000 Ordinary B shares in issue.

The 'A' shares and 'B' shares shall each carry full voting rights and rank pari passu in all respects except in relation to income where the shares shall rank separately with regard to entitlement to dividend such that the directors may at any time resolve to declare or recommend a dividend on one class of share and not on the other class.

The authorised share capital of MarketMakers is 10,000,000,000 shares of 0.0001p each.

## 17. Retirement benefit schemes

	31 December 2016 £'000	31 December 2015 £'000	31 December 2014 £'000
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### Defined contribution schemes

Charge to profit or loss in respect of defined contribution scheme

41	33	13
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## 18. Operating lease arrangements

At the balance sheet date, MarketMakers had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	31 December 2016 £'000	31 December 2015 £'000	31 December 2014 £'000
<b>Land and buildings</b>			
Within one year	270	379	379
Between two and five years	—	723	1,120
	270	1,102	1,499

## 19. Cash generated from operations

	Year ended 31 December 2016 £'000	Year ended 31 December 2015 £'000	Year ended 31 December 2014 £'000
Profit for the year before tax			
	1,352	1,247	1,520
<b>Adjustments for:</b>			
Finance income	(4)	(3)	(6)
Depreciation and impairment of property plant and equipment	122	125	121
Equity settled share based payment expense	229	48	11
<b>Movements in working capital</b>			
(Increase) in receivables	(1,539)	(769)	(157)
Increase in payables	1,070	38	472
<b>Cash generated from operations</b>	1,230	686	1,961

## 20. Financial instruments and financial risk management

### Financial risk management

The board of directors of MarketMakers has overall responsibility for the determination of MarketMakers' risk management policies. The board receives monthly reports from the Chief Financial Officer through which it reviews the effectiveness of policies and processes put in place to manage risk. The board sets policies that reduce risk as far as possible without unduly affecting the operating effectiveness of MarketMakers.

MarketMakers' activities expose it to a variety of financial risks, including price risk, credit risk, liquidity risk and cash flow risk. Of these, credit risk and liquidity risk are considered the most significant. This note presents information in relation to MarketMakers' exposure to each of the above risks.

### **Categories of financial instruments**

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2. All financial assets and liabilities are measured at amortised cost:

	Year ended 31 December 2016 £'000	Year ended 31 December 2015 £'000	Year ended 31 December 2014 £'000
<b>Financial asset</b>			
<i>Financial assets at amortised cost</i>			
Cash and bank balances	2,778	2,683	2,589
Trade receivables	2,341	818	654
Other receivables	733	770	255
Accrued income	306	277	201
<b>Total financial asset</b>	<b>6,158</b>	<b>4,548</b>	<b>3,699</b>
<b>Financial liabilities</b>			
<i>Financial liabilities at amortised cost</i>			
Trade payables	156	58	139
Accruals	355	434	440
Other payables	71	113	110
<b>Total financial liabilities</b>	<b>582</b>	<b>605</b>	<b>689</b>

The ageing of trade receivables according to their original due date is detailed below:

	2016 Gross £'000	2016 Provision £'000	2015 Gross £'000	2015 Provision £'000	2014 Gross £'000	2014 Provision £'000
Not past due	849	—	467	—	451	—
0-30 days	447	—	184	—	117	15
30-60 days	584	1	111	5	108	9
60-90	356	5	61	7	30	25
More than 90 days	136	25	19	12	(3)	—
<b>Total</b>	<b>2,372</b>	<b>31</b>	<b>842</b>	<b>24</b>	<b>703</b>	<b>49</b>

All other financial assets and liabilities are due for payment or receipt in less than 30 days.

### **Credit risk**

MarketMakers' principal financial assets are trade and other receivables and cash and cash equivalents. Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to MarketMakers. The carrying amount of financial assets recorded in the historical financial information, which is net of impairment losses, represents MarketMakers' maximum exposure to credit risk in relation to financial assets. MarketMakers does not consider that it is subject to any significant concentrations of credit risk.

### **Trade receivables**

Trade receivables consist of a large number of customers of varying sizes and spread across diverse industries. MarketMakers does not have significant exposure to credit risk in relation to any single counterparty or group of counterparties having similar characteristics, MarketMakers' exposure to credit risk is influenced predominantly by the circumstances of individual customers as opposed to industry or geographic trends.

The credit control function within MarketMakers' finance department monitors the outstanding debts of MarketMakers and trade receivables balances are analysed by the age and value of the outstanding debt.

Any trade receivable balance which is objectively determined to be uncollectible is written off the ledger, with a charge taken through the Statement of Comprehensive Income. MarketMakers also records a provision for estimated impairment losses on its trade receivables balances. All balances past due are reviewed, with those greater than 90 days past due considered to carry a higher level of credit risk. Specific provision is made against customer balances with known credit issues.

Impairment losses are taken through administrative expenses in the Statement of Comprehensive Income.

#### **Cash and cash equivalents**

Cash and cash equivalents are held with banks and financial institutions which the Directors consider to have strong credit quality.

#### **Other receivables**

Other receivables are neither past due nor impaired. These are primarily made up of sundry receivables, including employee-related debtors and receivables in respect of distribution arrangements.

#### **Liquidity risk**

Liquidity risk is the risk that MarketMakers will not be able to meet its financial obligations as they fall due. Throughout the three years ended 31 December 2014, 2015 and 2016, MarketMakers was in a net cash position. MarketMakers manages liquidity risk by maintaining adequate reserves and working capital credit facilities and by continuously monitoring forecast and actual cash flows.

#### **Interest rate risk**

MarketMakers has interest-bearing assets but interest income is not significant. MarketMakers has no borrowings and is not therefore currently exposed to interest rate risk.

#### **Capital risk**

MarketMakers manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders and sustaining the future development of the business.

MarketMakers' capital consists of equity share capital and retained earnings.

#### **Currency risk**

MarketMakers' net assets are located in the United Kingdom. Although MarketMakers makes some sales in the USA and the EU, substantially all sales are generated in the United Kingdom and consequently foreign exchange risk is currently limited. The results of MarketMakers are not currently considered to be sensitive to movements in currency rates.

### **21. Capital commitments**

**At 31 December 2014, 2015 and 2016, MarketMakers had capital commitments as follows:**

	31 December 2016 £'000	31 December 2015 £'000	31 December 2014 £'000
Contracted for but not provided in the historical financial information: Acquisitions of property, plant and equipment	—	50	—
	<u>—</u>	<u>50</u>	<u>—</u>

## **22. Related party transactions**

### ***Transactions with Lead Forensics Limited***

At 31 December 2016 MarketMakers was owed £16,000 (2015: £105,000; 2014: £80,000) by Lead Forensics Limited, a company in which Mr H R C Braithwaite, Mr P Thomas and Mr A Yonge are also directors. These balances are included within other receivables. The balances arose as a result of MarketMakers settling payments of £1,065,000 (2015: £1,035,000; 2014: £689,000) to third parties on Lead Forensics Limited's behalf. All transactions were on arm's length basis.

See note 12 for details of loans to directors included within other receivables.

## **23. Controlling party**

MarketMakers was under the control of Mr P Thomas during the three years ended 31 December 2016, by virtue of his majority shareholding.

## **24. Post balance sheet events**

On 7 July 2017, Centaur Communications Limited, a subsidiary of Centaur Media Plc, entered into a conditional agreement to purchase the entire issued share capital of MarketMakers for an initial fixed cash consideration of approximately £13.4 million and a maximum cash consideration of £17.0 million.

## **SECTION C: ACCOUNTANT'S REPORT ON THE HISTORICAL FINANCIAL INFORMATION RELATING TO MARKETMAKERS**

The Board of Directors  
Centaur Media PLC  
Wells Point  
79 Wells Street  
London  
W1T 3QN

7 July 2017

Dear Sirs,

### **MarketMakers Incorporated Limited ("MarketMakers")**

We report on the historical financial information for the years ended 31 December 2014, 31 December 2015 and 31 December 2016 as set out in Section B of Part III of the Class 1 Circular dated 7 July 2017 relating to, inter alia, the acquisition of the entire issued share capital of MarketMakers issued by Centaur Media PLC (the "Company"), (the "Circular"). This historical financial information has been prepared for inclusion in the Circular on the basis of the accounting policies set out in note 2 to the historical financial information. This report is required by Listing Rule 13.5.21R and is given for the purpose of complying with that requirement and for no other purpose.

### **Responsibilities**

The Directors of the Company ("Directors") are responsible for preparing the historical financial information in accordance with International Financial Reporting Standards as adopted by the European Union.

It is our responsibility to form an opinion on the historical financial information and to report our opinion to you.

Save for any responsibility which we may have to those persons to whom this report is expressly addressed and which we may have to Shareholders as a result of the inclusion of this report in the Circular, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Listing Rule 13.4.1R(6), consenting to its inclusion in the Circular.

### **Basis of opinion**

We conducted our work in accordance with 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 historical financial information. It also included an assessment of significant estimates and judgments made by those responsible for the preparation of the historical 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 historical 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 jurisdictions outside the United Kingdom, including the United States of America, and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

**Opinion on historical financial information**

In our opinion, the historical financial information gives, for the purposes of the Circular, a true and fair view of the state of affairs of MarketMakers as at the years ended 31 December 2014, 31 December 2015 and 31 December 2016 and of its profits, cash flows and changes in equity for the years then ended in accordance with the basis of preparation set out in note 2 to the historical financial information and in accordance with International Financial Reporting Standards as adopted by the European Union.

Yours faithfully

**RSM Corporate Finance LLP**

Regulated by the Institute of Chartered Accountants in England and Wales

RSM Corporate Finance LLP is a limited liability partnership registered in England and Wales, registered no. OC325347. A list of the names of members is open to inspection at the registered office, 25 Farrington Street London EC4A 4AB.

## PART IV

### SECTION A: UNAUDITED PRO FORMA STATEMENT OF NET ASSETS

The unaudited pro forma statement of net assets of the Group as at 31 December 2016 is set out below (the “**Pro Forma Financial Information**”). It has been prepared in a manner consistent with the accounting policies adopted in the Group’s audited financial statements for the year ended 31 December 2016 on the basis set out in the notes below. It has also been prepared in accordance with Listing Rule 13.3.3R and paragraphs 87 to 94 of the ESMA Recommendations.

The Pro Forma Financial Information has been prepared to illustrate separately the effect of each of: a) the Disposal of the Home Interest Business and the Acquisition of MarketMakers; and b) the Disposal of the Home Interest Business on the net assets of the Group as if they had taken place as at 31 December 2016.

The Pro Forma Financial Information has been prepared for illustrative purposes only and, by its nature, addresses a hypothetical situation and, therefore, does not represent the Group’s actual financial position or results. PricewaterhouseCoopers LLP’s report on the pro forma financial information is set out in Section B (*Accountant’s Opinion On Pro Forma Financial Information*) of this Part IV.

#### **Pro forma statement of net assets of the Group reflecting the Disposal of the Home Interest Business and the Acquisition of MarketMakers (the Post-Completion Group)**

	Adjustments						Group pro forma as at 31 December 2016 (£'000)	
	Home Interest Business		Market Makers					
	Group as at 31 December 2016 (Note 1) (£'000)	31 December 2016 (Note 2) (£'000)	Disposal Adjustments (Note 3) (£'000)	31 December 2016 (Note 4) (£'000)	Acquisition adjustments (Note 5) (£'000)			
<b>Non-current assets</b>								
Goodwill	72,100	–	(7,500)	–	16,599	81,199		
Intangible assets	16,700	(95)	–	–	–	16,605		
Property, plant and equipment	2,000	(38)	–	186	–	2,148		
Deferred tax assets	600	(39)	–	–	–	561		
	<b>91,400</b>	<b>(172)</b>	<b>(7,500)</b>	<b>186</b>	<b>16,599</b>	<b>100,513</b>		
<b>Current assets</b>								
Inventories	2,500	(514)	–	–	–	1,986		
Trade and other receivables	15,700	(3,583)	–	3,584	–	15,701		
Cash and cash equivalents	3,400	(151)	11,185	2,778	(16,855)	357		
	<b>21,600</b>	<b>(4,248)</b>	<b>11,185</b>	<b>6,362</b>	<b>(16,855)</b>	<b>18,044</b>		
<b>Total assets</b>	<b>113,000</b>	<b>(4,420)</b>	<b>3,685</b>	<b>6,548</b>	<b>(256)</b>	<b>118,557</b>		
<b>Current liabilities</b>								
Trade and other payables	(9,700)	1,981	–	(1,586)	–	(9,305)		
Deferred income	(16,900)	3,343	–	(1,427)	–	(14,984)		
Current income tax liabilities	(700)	615	–	–	–	(85)		
Short-term provisions	(400)	–	–	–	–	(400)		
	<b>(27,700)</b>	<b>5,939</b>	<b>–</b>	<b>(3,013)</b>	<b>–</b>	<b>(24,774)</b>		
<b>Non-Current liabilities</b>								
Borrowings	(17,400)	–	17,400	–	–	–		
Other	–	–	–	–	(3,615)	(3,615)		
Deferred tax liabilities	(800)	–	–	(19)	–	(819)		
	<b>(18,200)</b>	<b>–</b>	<b>17,400</b>	<b>(19)</b>	<b>(3,615)</b>	<b>(4,434)</b>		
<b>Total liabilities</b>	<b>(45,900)</b>	<b>5,939</b>	<b>17,400</b>	<b>(3,032)</b>	<b>(3,615)</b>	<b>(29,208)</b>		
<b>Net assets</b>	<b>67,100</b>	<b>1,519</b>	<b>21,085</b>	<b>3,516</b>	<b>(3,871)</b>	<b>89,349</b>		

**Pro forma statement of net assets of the Group reflecting the Disposal of the Home Interest Business (the Continuing Group)**

	<i>Adjustments</i>			
	<i>Group as at 31 December 2016 (Note 1) (£'000)</i>	<i>Business as at 31 December 2016 (Note 2) (£'000)</i>	<i>Disposal Adjustments (Note 3) (£'000)</i>	<i>Group pro forma as at 31 December 2016 (£'000)</i>
<b>Non-current assets</b>				
Goodwill	72,100	–	(7,500)	64,600
Intangible assets	16,700	(95)	–	16,605
Property, plant and equipment	2,000	(38)	–	1,962
Deferred tax assets	600	(39)	–	561
	<u>91,400</u>	<u>(172)</u>	<u>(7,500)</u>	<u>83,728</u>
<b>Current assets</b>				
Inventories	2,500	(514)	–	1,986
Trade and other receivables	15,700	(3,583)	–	12,117
Cash and cash equivalents	3,400	(151)	11,185	14,434
	<u>21,600</u>	<u>(4,248)</u>	<u>11,185</u>	<u>28,537</u>
<b>Total assets</b>	<u>113,000</u>	<u>(4,420)</u>	<u>3,685</u>	<u>112,265</u>
<b>Current liabilities</b>				
Trade and other payables	(9,700)	1,981	–	(7,719)
Deferred income	(16,900)	3,343	–	(13,557)
Current income tax liabilities	(700)	615	–	(85)
Short-term provisions	(400)	–	–	(400)
	<u>(27,700)</u>	<u>5,939</u>	<u>–</u>	<u>(21,761)</u>
<b>Non-Current liabilities</b>				
Borrowings	(17,400)	–	17,400	–
Deferred tax liabilities	(800)	–	–	(800)
	<u>(18,200)</u>	<u>–</u>	<u>17,400</u>	<u>(800)</u>
<b>Total liabilities</b>	<u>(45,900)</u>	<u>5,939</u>	<u>17,400</u>	<u>(22,561)</u>
<b>Net assets</b>	<u>67,100</u>	<u>1,519</u>	<u>21,085</u>	<u>89,704</u>

Notes:

1. The net assets of the Group have been extracted from the audited financial statements of the Group for the year ended 31 December 2016 prepared in accordance with IFRS which are incorporated by reference into this document, set out in Part IX (*Documents Incorporated by Reference*).
2. The financial information relating to the Home Interest Business as at 31 December 2016 has been extracted without material adjustment from the historical financial information relating to the Home Interest Business, set out in Part III (*Historical Financial Information relating to the Home Interest Business*) of this document.
3. Reflects the disposal of goodwill of £7.5 million held on consolidation at the Centaur Media Plc level relating to the Home Interest Business. The goodwill is not directly held by, or to be sold with, the Home Interest Business. This adjustment was extracted without material adjustment from the accounting records of the Centaur Media Group as at 31 December 2016. Adjustments also reflect the receipt of the net proceeds of the Disposal (being net cash consideration of £30.3 million receivable by Centaur Communications on Disposal Completion and estimated transaction costs of £1.7 million (as explained in Part V (Principal Terms of the Disposal) of this document)). The proceeds are being used to repay borrowings (£17.4 million) with the balance included in cash and cash equivalents.
4. MarketMakers' financial information as at 31 December 2016 has been extracted, without material adjustment, from the Historical Financial Information in Section B of Part III (*Historical Financial Information Relating to MarketMakers*) of this document.

5. The adjustments arising as a result of the Acquisition are set out below:

- (a) The adjustment to cash and cash equivalents of £16.9 million represents the aggregate of the £16.5 million cash consideration payable for the Acquisition (upfront cash consideration of £13.4 million plus surplus cash in MarketMakers of £2.8 million and £0.3 million working capital adjustment) and £0.4 million of estimated transaction costs, (as explained in Part VII (Principal Terms of the Acquisition) of this document). Additional contingent consideration of £3.6 million is payable if MarketMakers meets its EBITDA targets for the year end 31 December 2017. This contingent payment has been assumed to be fully payable and has been included in 'other' non-current liabilities.

- (b) The adjustment to goodwill has been calculated as follows:

**£ million**

Total consideration	20.1
Net assets acquired	3.5
Pro forma goodwill adjustment	16.6

The Acquisition has been accounted for using the acquisition method of accounting. The excess of consideration over the book value of the net assets acquired has been reflected as goodwill. A fair value exercise will be completed post Acquisition. Therefore, no account has been taken of any fair value adjustments that may arise on Acquisition.

- (c) No adjustment has been made to the Unaudited Pro Forma Statement of Net Assets for the vesting of share options issued by MarketMakers which will occur on acquisition, as this is not material (approximately £20,000).

6. No adjustments to the statement of net assets has been made to reflect the trading results of the Group, Home Interest or MarketMakers since 31 December 2016.
7. This unaudited pro forma statement of net assets does not constitute financial statements within the meaning of section 434 of the Companies Act 2006.

## **SECTION B ACCOUNTANT'S OPINION ON PRO FORMA FINANCIAL INFORMATION**

The Board of Directors  
Centaur Media PLC  
Wells Point  
79 Wells Street  
London  
W1T 3QN  
United Kingdom

Shore Capital and Corporate Limited  
Bond Street House  
14 Clifford Street  
London  
W1S 4JU  
United Kingdom

7 July 2017

Dear Sirs,

### **Centaur Media plc (the “Company”)**

We report on the pro forma financial information (the “**Pro Forma Financial Information**”) set out in Part IV, Section A of the Company’s circular dated 7 July 2017 (the “**Circular**”), which has been prepared on the basis described in the notes to the Pro Forma Financial Information, for illustrative purposes only, to provide information about how a) the Disposal of the Home Interest Business and the Acquisition of MarketMakers (the Post-Completion Group); and b) the Disposal of the Home Interest Business only (the Continuing Group), separately affected the financial information presented on the basis of the accounting policies adopted by the Company in preparing the financial statements for the period ended 31 December 2016. This report is required by item 13.3.3R of the Listing Rules of the UK Listing Authority (the “**Listing Rules**”) and is given for the purpose of complying with that Listing Rule and for no other purpose.

### **Responsibilities**

It is the responsibility of the directors of the Company (the “**Directors**”) to prepare the Pro Forma Financial Information in accordance with Annex II of the PD regulation and/or item 13.3.3R of the Listing Rules.

It is our responsibility to form an opinion, as required by item 13.3.3.R of the Listing Rules as to the proper compilation of the Pro Forma Financial Information and to report our opinion to you.

In providing this opinion we are not updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the Pro Forma Financial Information, nor do we accept responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.

Save for any responsibility which we may have to those persons to whom this report is expressly addressed and which we may have to shareholders of the Company as a result of the inclusion of this report in the Circular, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with item 13.4.1R(6) of the Listing Rules, consenting to its inclusion in the Circular.

### **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. The work that we performed for the purpose of making this report, 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 financial information with the directors of the Company.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Pro Forma Financial Information has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of the Company.

**Opinion**

In our opinion:

- (a) the Pro Forma Financial Information has been properly compiled on the basis stated; and
- (b) such basis is consistent with the accounting policies of the Company.

Yours faithfully

**PricewaterhouseCoopers LLP**

*Chartered Accountants*

## PART V

### PRINCIPAL TERMS OF THE DISPOSAL

#### **1. Introduction**

On 7 July 2017, Centaur Media announced that its subsidiary, Centaur Communications, had entered into a conditional agreement to sell the entire issued share capital of Ascent Publishing and Centaur Consumer Exhibitions to Future Publishing Limited (“**Future Publishing**”), a wholly owned subsidiary of Future PLC. Disposal Completion is conditional upon the Disposal Resolution being passed by Shareholders and the satisfaction of certain other conditions precedent as set out below.

#### **2. Disposal Conditions**

The Disposal is conditional on the satisfaction of the following conditions precedent:

- (a) the approval of the Disposal by Shareholders through the passing of the Disposal Resolution;
- (b) the availability of acquisition finance to be provided by HSBC to Future PLC having not been withdrawn or otherwise revoked by HSBC (other than in circumstances where Future Publishing or Future PLC has specifically requested such finance to be withdrawn or otherwise revoked);
- (c) the placing agreement entered into between Future PLC, Numis Securities Limited and N+1 Singer Advisory LLP in relation to a vendor placing of shares in Future PLC becoming unconditional in all respects, in accordance with its terms; and
- (d) the UKLA having formally approved the prospectus to be issued by Future PLC pursuant to the Prospectus Rules and the Listing Rules.

Disposal Completion shall take place (i) on 1 August 2017 if the last of the conditions is satisfied or waived on or before 29 July 2017; or (ii) if the last of the conditions is satisfied on or after 30 July 2017, on the date that is three business days after the date on which the last of the conditions is fulfilled.

#### **3. Break fees**

Centaur Communications shall be liable to pay Future Publishing a break fee equal to 1 per cent. of Centaur Media's market capitalisation if the Disposal is not approved by Shareholders through the passing of the Disposal Resolution by close of business on the Disposal Long Stop Date.

Future Publishing shall be liable to pay Centaur Communications a break fee of £1.6 million if: (i) the approval of the Disposal by Shareholders through the passing of the Disposal Resolution has been obtained on or before close of business on the Disposal Long Stop Date; and (ii) the placing agreement proposed to be entered into by Future PLC, Numis Securities Limited and N+1 Singer Advisory LLP in relation to a vendor placing of shares in Future PLC has not become unconditional in all respects in accordance with its terms (other than with the mutual written agreement of Future Publishing and Centaur Communications in limited specified circumstances) and/or the UKLA has not approved the prospectus to be issued by Future PLC pursuant to the Prospectus Rules and the Listing Rules (other than in limited specified circumstances), in either case on or before close of business on the Disposal Long Stop Date.

#### **4. Consideration**

The consideration for the sale of the entire issued share capital of Ascent Publishing and Centaur Consumer Exhibitions is based on an enterprise value of £32 million less £1.76 million (representing the net amount of cash-backed deferred income and associated costs and other identified debt like items), resulting in net consideration of £30.24 million, payable to Centaur Communications in cash on Disposal Completion. The amount of the consideration is subject to further adjustment for customary post-completion adjustments based on the amounts of debt, cash and working capital in Ascent Publishing and Centaur Consumer Exhibitions at Disposal Completion and takes into account the settlement of an intercompany debt owed by members of the Group to Ascent Publishing and Centaur Consumer Exhibitions.

The post-completion adjustments will be agreed upon by Centaur Communications and Future Publishing pursuant to completion statements prepared by Future Publishing reflecting the actual financial position of Ascent Publishing and Centaur Consumer Exhibitions at Disposal Completion. To the extent the parties cannot resolve any disagreement, a final determination will be made by an independent accounting firm.

## **5. Warranties and indemnities**

The Disposal Agreement contains a set of warranties and indemnities given by Centaur Communications which are customary for a transaction of this nature. The warranties relate to, amongst other things, title and capacity, authority and solvency matters, accounting and financial matters, trading, intellectual property, litigation, and compliance with law and taxation in relation to the Home Interest Business. Centaur Communications gave these warranties on signing the Disposal Agreement. Centaur Communications' liability under the warranties is subject to the following limitations:

- (a) Future Publishing's right to bring a claim for a breach of warranty (other than certain fundamental warranties as to title and capacity or claims relating to taxation) will cease if notice of the claim has not been notified to Centaur Communications within 18 months of Disposal Completion. Claims for breaches of certain fundamental warranties as to title and capacity or claims relating to taxation must be notified to Centaur Communications within 48 months of Disposal Completion;
- (b) a claim may only be brought if it exceeds £60,470;
- (c) a claim may only be brought if the total of all potential claims exceeds £302,350 and Future Publishing will be able to recover the full amount of any successful claim and not just the excess over the £302,350 threshold; and
- (d) the aggregate liability of Centaur Communications in respect of all claims relating to warranties (other than in respect of claims relating to certain fundamental warranties as to title and capacity) is limited to £9,070,522. The aggregate liability of Centaur Communications in respect of claims relating to certain fundamental warranties as to title and capacity is limited to £30,235,075 (less amounts of liability in relation to all other claims under the Disposal Agreement).

Future Publishing has also given customary warranties in favour of Centaur Communications.

## **6. Termination**

Unless the parties otherwise agree, the Disposal Agreement will automatically terminate and cease to have effect if the Disposal Conditions have not been satisfied on or before the Disposal Long Stop Date.

## **7. Conduct of Home Interest Business**

In the period between and including the date of signing the Disposal Agreement and the earlier of Disposal Completion and the Disposal Long Stop Date, Centaur Communications has provided customary undertakings to Centaur Communications in relation to the conduct of the Home Interest Business, including restrictions on (i) acting outside the ordinary course of business; (ii) recruiting additional employees in the Home Interest Business; (iii) making any material change to the nature of the Home Interest Business; and (iv) creating any encumbrances over the assets of the Home Interest Business.

## **8. Protection of Goodwill**

Centaur Communications has agreed to customary non-compete and solicitation of key employees provisions for a period of two years from Disposal Completion.

## **9. Governing law and jurisdiction**

The Disposal Agreement is governed by English law. The English courts have exclusive jurisdiction in relation to all disputes arising out of or in connection with the Disposal Agreement.

## **10. Disposal Tax Deed**

At Disposal Completion Centaur Communications and Future Publishing will enter into the Disposal Tax Deed pursuant to which Centaur Communications will indemnify Future Publishing for any tax liabilities of Ascent Publishing and Centaur Consumer Exhibitions relating to the time period on or before Disposal Completion. The indemnity to be provided by Centaur Communications is subject to certain exclusions and financial limits and is in a form customarily given in connection with sale and purchase agreements.

## **11. Disposal Transitional Services Agreement**

At Disposal Completion Centaur Communications and Ascent Publishing will enter into the Disposal TSA relating to the provision of certain transitional and content services by Centaur Communications to Ascent Publishing and Centaur Consumer Exhibitions until no later than 31 December 2017, to a value of up to £1.5 million. Any extension of the term will be subject to agreement between Centaur Communications and Ascent Publishing. These services will include IT services, credit control, central tele-sales and certain other head-office services. The services offered by Centaur Communications to Ascent Publishing will utilise existing technology, resources and employees currently within the wider Group.

The sums payable under the Disposal TSA will be in addition to and separate from the consideration payable under the Disposal Agreement.

The Disposal TSA will be governed by English law. The English courts will have exclusive jurisdiction in relation to all disputes arising out of or in connection with the Disposal TSA.

## **12. Asset Transfer Agreement**

In order to prepare for the Disposal, on 5 July 2017 Centaur Media and Centaur Communications entered into the Asset Transfer Agreement to transfer certain assets relating to the Home Interest Business to Ascent Publishing and Centaur Consumer Exhibitions. The assets transferred included certain databases, supplier contracts and domain names. Ascent Publishing acquired assets necessary to carry on the business of the production, publishing and distribution of magazines and websites relating to home interest and Centaur Consumer Exhibitions acquired assets necessary to carry on the business of organising and hosting events relating to home interest, including home building and renovation. The assets were transferred for nominal value to be provided in equal amounts by Centaur Consumer Exhibitions and Ascent Publishing. The Asset Transfer Agreement is governed by English law. The English courts have exclusive jurisdiction in relation to all disputes arising out of or in connection with the Asset Transfer Agreement.

## **PART VI**

### **PRINCIPAL TERMS OF THE ACQUISITION**

#### **1. Introduction**

On 7 July 2017, Centaur Media announced that its subsidiary, Centaur Communications, had entered into a conditional agreement to acquire the entire issued share capital of MarketMakers from the Sellers. Acquisition Completion is conditional upon certain conditions precedent as set out below.

#### **2. Conditions**

The Acquisition is conditional on the satisfaction of the following conditions precedent:

- (a) the approval of the Acquisition by Shareholders through the passing of the Acquisition Resolution;
- (b) Disposal Completion; and
- (c) the approval by the FCA of the change in control arising as a result of the Acquisition.

Acquisition Completion shall take place on the date that is the next business day after the date on which the last of the Acquisition Conditions is fulfilled or on any other date agreed between the parties.

#### **3. Consideration**

The consideration for the Acquisition comprises:

- (a) an amount representing the excess cash and working capital and the tax benefit to MarketMakers of the employee bonus payments which will be payable once the tax saving is realised, in each case in MarketMakers as at the locked box date of 31 December 2016;
- (b) an amount of £0.8 million for post-tax cash generation between 31 December 2016 and Acquisition Completion;
- (c) £13.385 million to the Sellers in cash on Acquisition Completion; and
- (d) as to the remaining consideration, a cash amount equal to a multiple of 6.8x EBITDA of MarketMakers in excess of £1.968 million during the 12-month period commencing on (and including) 1 January 2017 and ending on 31 December 2017.

The items in (a) and (b) above amount in aggregate to £3.1 million, of which £2.8 million is represented by surplus cash in MarketMakers. The items in (c) and (d) above are subject to an aggregate cap of £17 million.

#### **4. Warranties, indemnities and tax covenant**

The Acquisition Agreement contains a set of warranties given by Henry Braithwaite and Paul Thomas which are customary for a transaction of this nature. The warranties relate to, amongst other things, title and capacity, authority and solvency matters, accounting and financial matters, trading, intellectual property, litigation, and compliance with law and taxation in relation to MarketMakers.

Whilst the Directors consider the risks of such issues arising as low, the Acquisition Agreement contains indemnities in relation to: (i) title claims to intellectual property made by certain former employees in relation to the development of the software for the Vortex enterprise resource planning platform which was developed in-house by such former employees who had not executed effective assignments of the relevant intellectual property rights; and (ii) potential liabilities in relation to 50 per cent. of the dilapidations costs at the business premises of MarketMakers up to £150,000 and 100 per cent. of the costs over that limit. As at the date of this document, no claims referred to in sub-paragraph (i) above have been made by any former employees of MarketMakers.

The Acquisition Agreement contains a tax covenant pursuant to which the Sellers will indemnify Centaur Communications for any tax liabilities of MarketMakers relating to the time period on or before Acquisition Completion (other than ordinary course tax liabilities after the locked box date of 31 December 2016). The indemnity to be provided by the Sellers is subject to certain exclusions and financial limits.

Liability for claims under the warranties, indemnities and tax covenant is limited to 25 per cent. of the consideration received by the Sellers from time to time. The claims period is 18 months from Acquisition Completion for warranty claims other than tax claims, 5 years from Acquisition Completion for tax claims and 12 months from Completion for claims under the indemnities. The Acquisition Agreement provides for other customary limitations and conduct of claims.

## **5. Escrow**

The Acquisition Agreement provides that £1,338,500 will be paid into an escrow account with the Sellers' solicitors as security for claims under the warranties, indemnities and tax covenant.

## **6. Termination**

Centaur Communications may terminate the Acquisition Agreement (other than certain surviving provisions) if before Acquisition Completion it becomes aware of breach of any of the warranties or any fact of matter which would constitute a breach of the warranties if they were repeated at any time before Acquisition Completion or if the Sellers fail to comply with any material Acquisition Completion and pre-Acquisition Completion obligations under the Acquisition Agreement. The termination right is subject to materiality.

The Acquisition Agreement will automatically terminate and cease to have effect if the Conditions have not been satisfied on or before the Longstop Date.

## **7. Conduct of MarketMakers**

During the period from the date of the Acquisition Agreement until Acquisition Completion, the Sellers have provided customary undertakings to Centaur Communications in relation to the conduct of MarketMakers, including restrictions on (i) acting outside the ordinary course of business, (ii) taking certain material actions in relation to employees, (iii) litigation, (iv) taking certain actions in relation to assets including intellectual property, (v) taking certain actions in relation to the share capital of MarketMakers or passing shareholder resolutions, (vi) declaring any dividend or allowing any other return to shareholders other than an agreed dividend to one of the sellers; (vii) making any material change to the nature of the business of MarketMakers; and (viii) creating any encumbrances over assets of MarketMakers.

## **8. Locked Box**

The Acquisition is based on locked box accounts as at 31 December 2016, with earnings since that date accruing for the benefit of Centaur Communications, subject to the consideration calculation referred to above.

## **9. Protection of Goodwill**

Each of the Sellers has agreed to customary non-compete and solicitation provisions for a period of two years from Acquisition Completion.

## **10. Governing law and jurisdiction**

The Acquisition Agreement is governed by English law. The English courts have exclusive jurisdiction in relation to all disputes arising out of or in connection with the Acquisition Agreement.

## **11. Acquisition Transitional Services Agreement**

MarketMakers and Lead Forensics Limited (a company owned by the Sellers of MarketMakers) will enter into the Acquisition TSA relating to the provision of transitional services by MarketMakers to Lead Forensics between Acquisition Completion and 31 December 2017 (other than in respect of certain Microsoft licences which will continue until 30 June 2018). Pursuant to the Acquisition TSA, MarketMakers will provide certain IT services, credit control, and certain other head-office services to a value of up to £450,000. Lead Forensics and MarketMakers will also provide back-up services to each other between Acquisition Completion and such time as these services are decoupled in relation to telephony, IT infrastructure and finance systems at

nil cost. The services offered by MarketMakers to Lead Forensics will use existing technology, resources and employees currently within MarketMakers.

The sums payable under the Acquisition TSA will be in addition to and separate from the consideration payable under the Acquisition Agreement.

The Acquisition TSA will be governed by English law. The English courts will have exclusive jurisdiction in relation to all disputes arising out of or in connection with the Acquisition TSA.

## PART VII

### ADDITIONAL INFORMATION

#### **1. Responsibility**

The Company and the Directors, whose names appear on page 3 of this document, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Company and the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

#### **2. Company address**

The registered office and principal place of business of the Company is located at Wells Point, 79 Wells St, London, W1T 3QN (telephone number +44 (0)20 7970 4000).

#### **3. Directors' interests**

- 3.1 As at 6 July 2017 (being the latest practicable date prior to the publication of this document), the aggregate interests of each of the Directors in the share capital of the Company which have been notified by each Director to the Company pursuant to Article 19 of MAR and its predecessor legislation or the interests of persons closely associated with them which have been disclosed under Article 19 of MAR and its predecessor legislation (and the existence of which is known to, or could with reasonable diligence be ascertained by, that Director) were as follows:

<i>Director</i>	<i>Number of Ordinary Shares</i>	<i>Percentage of issued Ordinary (%)</i>
<i>Executive</i>		
Andria Vidler	156,831	0.11
Swagatam Mukerji	31,932	0.02
<i>Non-Executive</i>		
Ronald Sandler	45,000	0.03
William Eccleshare	-	-
Robert Boyle	117,037	0.08
Rebecca Miskin	14,800	0.01
<b>Total</b>	365,600	0.25

- 3.2 The following options and awards over Ordinary Shares have been granted to the Directors and are outstanding as at 6 July 2017 (being the latest practicable date prior to the publication of this document):

<i>Director</i>	<i>Date of grant</i>	<i>Performance period</i>	<i>Exercise period</i>	<i>Number of Ordinary Shares under option</i>	<i>Exercise price</i>
Andria Vidler	26/03/15	01/01/15 to 31/12/17	26/03/18 to 25/09/18	493,129	72.05p
	30/03/16	01/01/16 to 31/12/18	30/03/19 to 29/09/19	674,194	52.7p
	24/04/17	01/01/17 to 31/12/19	24/04/19 to 23/10/19	802,962	45.57p
Swagatam Mukerji	04/10/16	01/01/16 to 31/12/18	04/10/19 to 03/04/20	573,395	43.6p
	24/04/17	01/01/17 to 31/12/19	24/04/19 to 23/10/19	548,546	45.57p

- 3.3 Save as disclosed in paragraphs 3.1 and 3.2 above, the Directors do not have any interest in the share capital of the Company.
- 3.4 So far as the Company is aware, as at 6 July 2017 (being the latest practicable date prior to the publication of this document), the following persons (other than Directors) had notifiable interests in three per cent. or more of the entire issued share capital of the Company:

Name	Number of Ordinary Shares	Percentage of issued Ordinary (%)
Aberforth Partners LLP	35,915,126	24.85
Artemis Investment Management LLP	25,394,084	17.57
IBIS Capital Partners LLP	11,945,379	8.26
Quaero Capital	10,087,924	6.98
Chelverton Asset Management	9,650,000	6.68
GV & JMH Sherren	8,278,270	5.73
Otus Capital Management	7,346,075	5.08
Standard Life Investments	4,821,622	3.34

Note: Aberforth Partners LLP act as fund manager for 12,119,451 Ordinary Shares owned by Wellcome Trust Ltd. However, Aberforth do not control the voting rights over those Ordinary Shares. These are controlled by Wellcome Trust Ltd itself. The combined holding for the Ordinary Shares held by Aberforth is 35,915,126 Ordinary Shares.

#### 4. Directors' service agreements

The Company has entered into the following contracts or, as appropriate, a letter of appointment with its Directors.

##### 4.1 Service Agreements of the Executive Directors

Details of the Executive Directors' service contracts can be found on pages 54-57 of the Company's 2016 Annual Report and Accounts and are incorporated herein by reference.

The Executive Directors have entered into service agreements with the Company. Details of these service agreements are set out below.

Director	Date of service agreement	Commencement date of office	Expiry/Notice period	Basic annual salary (£)	Annual bonus payment for the financial year ended 31 December 2016 (£)	Benefits for the financial year ended 31 December 2016 (£)	Pension contributions for the financial year ended 31 December 2016 (£)
Andria Vidler	30 October 2013	30 October 2013	12 months	365,959	–	18,631	40,705
Swagatam Mukerji	21 September 2016	21 September 2016	12 months	250,000	–	1,670	1,616

Mark Kerswell was also an executive director of the Company during the year ended 31 December 2016 but resigned with effect from 29 July 2016.

##### 4.2 Contracts and Letters of Appointment of the Non-Executive Directors

A summary of the Non-Executive Directors' letters of appointment can be found on pages 55-57 of the Company's 2016 Annual Report and Accounts and are incorporated herein by reference. The current annual fees payable to the Non-Executive Directors are set out below. There have been no changes to the terms of the letters of appointment of the Non-Executive Directors since the publication of the 2016 Annual Report and Accounts.

The Non-Executive Directors have entered into letters of appointment with the Company. Details of these letters of appointment are set out below.

Director	Effective date of current appointment	Date of first appointment	Current letter of appointment expiry date	Annual fee (£)
Ronald Sandler	13 May 2015	13 May 2015	13 May 2021	125,000
William Eccleshare	1 July 2016	1 July 2016	1 July 2019	43,775
Robert Boyle	8 January 2016	8 January 2010	8 January 2019	43,775
Rebecca Miskin	14 January 2017	13 January 2011	14 January 2020	43,775

Christopher Satterthwaite was also a non-executive director of the Company during the year ended 31 December 2016 but resigned with effect from 27 July 2016.

Save as disclosed above, there are no service agreements between any Director and any member of the Group.

Save as mentioned above in this paragraph 4 of this Part VII, there are no existing or proposed service agreements between any Director and the Company or any of its subsidiaries providing for benefits upon termination of employment.

#### 4.3 **Leadership of Home Interest Business**

The leadership team of the Home Interest Business comprises Steve Newbold, Divisional Managing Director, Nick Noble, Deputy Managing Director, Michael Holmes, Director of Content & New Product Development and Jason Orme, Editorial Director.

#### 4.4 **Leadership of MarketMakers**

The management team of MarketMakers currently includes Henry Braithwaite (Managing Director), Alan Yonge (Finance Director), Tom James (Sales Director) and Kirsty Dawe (Managing Director). Following the Acquisition, it is proposed that Henry Braithwaite, Tom James and Kirsty Dawe will remain with MarketMakers. Henry Braithwaite, as Managing Director, will continue to manage the day-to-day operations of MarketMakers, supported by Kristy Dawe and Tom James. He will report into and be accountable to the Executive Committee of Centaur Media.

### 5. Material contracts

#### 5.1 **Pre-Completion Group**

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by the Company or any other member of the Pre-Completion Group (a) in the two years immediately preceding the date of this document and are, or may be, material to the Pre-Completion Group or (b) contain provisions under which any member of the Pre-Completion Group has any obligation or entitlement which is material to the Pre-Completion Group as at the date of this document:

(a) *Disposal Agreement*

A summary of the principal terms of the Disposal Agreement is set out in Part V (*Principal Terms of the Disposal*) of this document.

(b) *Disposal TSA*

A summary of the principal terms of the Disposal TSA is set out in Part V (*Principal Terms of the Disposal*) of this document.

(c) *Disposal Tax Deed*

A summary of the principal terms of the Disposal Tax Deed is set out in Part V (*Principal Terms of the Disposal*) of this document.

(d) *Asset Transfer Agreement*

A summary of the principal terms of the Asset Transfer Agreement is set out in Part V (*Principal Terms of the Disposal*) of this document

(e) *Acquisition Agreement*

A summary of the principal terms of the Acquisition Agreement is set out in Part VI (*Principal Terms of the Acquisition*) of this document.

(f) *Acquisition TSA*

A summary of the principal terms of the Acquisition TSA is set out in Part VI (*Principal Terms of the Acquisition*) of this document.

(g) *Acquisition of the business and assets of Oystercatchers LLP*

On 20 September 2016 Centaur Communications entered into a sale and purchase agreement to purchase the business and assets of The Oystercatchers LLP, a consultancy that assists brands in accelerating their market performance. The assets acquired by Centaur Communications included working capital balances, intangible assets comprising customer contracts, relationships and the brand name, and resulting goodwill. Under the terms of the agreement, Centaur Communications paid initial consideration of £2.0m at completion (subject to a post completion working capital adjustment) and is required to pay contingent consideration of up to £1.15m. The contingent consideration was subject to the business delivering sufficient earnings for the year ended 31 March 2017. These targets were achieved and the full contingent consideration was paid in June 2017.

(h) *Revolving Credit Facility*

On 11 June 2015, Centaur Media entered into an agreement with The Royal Bank of Scotland PLC and Lloyds Bank PLC (the “**Lenders**”) pursuant to which the Lenders will provide a £25 million multi-currency revolving credit facility for a period of four years. The revolving credit facility is to be used for general corporate purposes. The principal financial covenants under the facility are that: (i) the ratio of net debt to adjusted EBITDA shall not exceed 2.5:1; and (ii) the ratio of EBITDA to net finance charges shall not be less than 4:1. The revolving credit facility is available to Centaur Media Plc until 31 August 2019. The revolving credit facility includes an Accordion Option, under which Centaur Media may request, subject to certain conditions including Lender credit committee approval and no default having occurred, an increase in the size of the facility by an amount of up to £25 million.

## 5.2 **Ascent Publishing and Centaur Consumer Exhibitions**

No contracts (other than contracts entered into in the ordinary course of business) have been entered into by Ascent Publishing or Centaur Consumer Exhibitions (a) in the two years immediately preceding the date of this document and are, or may be, material to Ascent Publishing or Centaur Consumer Exhibition or (b) contain provisions under which Ascent Publishing or Centaur Consumer Exhibition has an obligation or entitlement which is material to Ascent Publishing or Centaur Consumer Exhibitions as at the date of this document with the exception of the Asset Transfer Agreement, the Acquisition TSA and the Disposal TSA, each referred to in paragraph 5.1 above.

## 5.3 **MarketMakers**

No contracts (other than contracts entered into in the ordinary course of business) have been entered into by MarketMakers (a) in the two years immediately preceding the date of this document and which are, or may be, material to MarketMakers or (b) contain provisions under which MarketMakers has any obligation or entitlement which is material to MarketMakers as at the date of this document.

## 6. **Working capital statement**

6.1 The Company is of the opinion that, taking into account the net proceeds of the Disposal, the Post-Completion Group (which results from completion of both the Disposal and the Acquisition) has sufficient working capital for its present requirements, that is, for at least 12 months from the date of this document

- 6.2 The Company is of the opinion that, taking into account the net proceeds of the Disposal, the Continuing Group (which results from completion of the Disposal without completion of the Acquisition) has sufficient working capital for its present requirements, that is, for at least 12 months from the date of this document;

## 7. Profit Forecast

### 7.1 Profit Forecast

- (a) The Company's full year 2016 results were released on 29 March 2017 and included the following statement: "The fall in high margin advertising revenues will result in a 2017 profit reduction which is expected to reverse in 2018 as the strategy to address the industry trend by monetising content and expertise materialises."
- (b) These words together are deemed to constitute a profit forecast (the "**Profit Forecast**") for the purposes of the Listing Rules, owing to the statement that there will be a profit reduction in 2017 which will reverse in 2018.
- (c) The Directors have considered and confirm that the Profit Forecast remains valid at the date of this document.

### 7.2 Basis of preparation

- (a) The Profit Forecast has been properly compiled on the basis of the assumptions stated below, on a basis consistent with the accounting policies of the Company set out in historical financial information which appears or is incorporated by reference in this document, which are in accordance with IFRS and are those which are expected to be applicable for the financial years ending 31 December 2017 and 31 December 2018 (save for the proposed application of IFRS 15 which relates to revenue arising from contracts with customers and which will be effective for annual periods beginning on or after 1 January 2018).
- (b) The Directors prepared the Profit Forecast based on: (a) the audited financial statements for the year ended 31 December 2016; (b) the unaudited management accounts for the Group for the period ended 28 February 2017; and (c) the Directors' forecasts for the financial years ending 31 December 2017 and 31 December 2018.
- (c) The Profit Forecast did not take account any impact of either the Acquisition or the Disposal.

### 7.3 Profit Forecast assumptions

The principal assumptions upon which the Profit Forecast are based are:

*Factors affecting the Profit Forecast that are outside the influence or control of the Directors:*

- (a) there will be no material change in the political and/or economic environment that would materially affect the Group;
- (b) there will be no material change in legislation or regulation impacting on the Group's operations or its accounting policies;
- (c) there will be no business disruptions that materially affect the Group, its customers or operations, including supply chain disruptions, cyber-attacks, technological issues, natural disasters, pandemics, epidemics, other disease, acts of terrorism or other material disruption, in particular those that curtail travel or attendance of exhibitors or attendees at the Group's events, trade shows and conferences;
- (d) there will be no change in inflation, interest or tax rates in the principal markets and regions in which the Group operates compared with the Group's budgeted forecast;
- (e) exchange rates and tax rates remain materially unchanged from the prevailing rates;
- (f) there will be no material changes in the structure of the markets, customer demand or the competitive environment;
- (g) forward bookings and cancellations do not materially deviate from the Group's past experience;

- (h) there will be no material change in the management or control of the Group; and
- (i) there will be no adverse event that will have an impact on the Group's financial performance which is material in the context of the Profit Forecast.

*Factors affecting the Profit Forecast that are within the influence or control of the Directors:*

- (a) there will be no material acquisitions or disposals by the Group;
- (b) there will be no material change in the management of the Group's business or in the operational strategy of the Group;
- (c) there are no material strategic investments over and above those currently planned by the Group;
- (d) there is no other issue which is material in the context of the Profit Forecast, beyond those issues that are already known to the Directors at the current time, that will arise in the context of the Group's business.

## **8. Litigation**

- 8.1 There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) which may or have had during the 12 months prior to the date of this document a significant effect on the Company's or the Group's financial position or profitability.
- 8.2 There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) which may or have had during the 12 months prior to the date of this document a significant effect on Home Interest Business' financial position or profitability.
- 8.3 There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) which may or have had during the 12 months prior to the date of this document a significant effect on MarketMakers' financial position or profitability.
- 8.4 There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) which may or have had during the 12 months prior to the date of this document a significant effect on Continuing Group's financial position or profitability.

## **9. Related Party Transactions**

In respect of the periods for which historical financial information appears or is incorporated by reference in this document and in respect of the period from the end of such financial periods to 6 July 2017 being the latest practicable date prior to the publication of this document, neither the Company nor any other member of the Group, has entered into any related party transactions (which for those purposes are those set out in the standards adopted according to Regulation (EC) No 1606/2002) other than the transactions disclosed in note 31 of the audited consolidated accounts of the Group for the year ended 31 December 2016; note 31 of the audited consolidated accounts of the Group for the year ended 31 December 2015; and note 30 of the audited consolidated accounts of the Group for the year ended 31 December 2014 which are incorporated by reference into this document.

## **10. Significant change**

- 10.1 There has been no significant change in the financial or trading position of the Group since 31 December 2016, being the date of the last financial period for which financial information has been published.
- 10.2 There has been no significant change in the financial or trading position of the Home Interest Business since 31 December 2016, being the date of the last financial period for which financial information has been prepared.

10.3 There has been no significant change in the financial or trading position of MarketMakers since 31 December 2016, being the date of the last financial period for which financial information has been prepared.

10.4 There has been no significant change in the financial or trading position of the Continuing Group (which results from completion of the Disposal without completion of the Acquisition) since 31 December 2016, being the date of the last financial period for which financial information has been prepared.

## **11. Consent**

11.1 Shore Capital has given and 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 it appears.

11.2 PricewaterhouseCoopers LLP has given and has not withdrawn its written consent to the inclusion in this document of its report set out in Section B of Part IV (*Accountant's Opinion On Pro Forma Financial Information*), in the form and context in which it appears.

11.3 RSM Corporate Finance LLP has given and has not withdrawn its written consent to the inclusion in this document of its report set out in Section C of Part III (*Accountant's Report on the Historical Financial Information relating to MarketMakers*), in the form and context in which it appears.

## **12. Documents available for inspection and available information**

Copies of the following documents will be available for inspection at the registered office of the Company during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) until the conclusion of the General Meeting:

- (a) the articles of association of the Company;
- (b) the Annual Report and Accounts for the 18 month period to 31 December 2014, the Annual Report and Financial Statements for each of the years ended 31 December 2015 and 31 December 2016;
- (c) the report of PricewaterhouseCoopers LLP set out in Section B of Part IV (*Accountant's Opinion On Pro Forma Financial Information*) of this document;
- (d) the report of RSM Corporate Finance LLP set out in Section C of Part III (*Accountant's Report on the Historical Financial Information relating to MarketMakers*) of this document;
- (e) the Disposal Agreement;
- (f) the Asset Transfer Agreement;
- (g) the Acquisition Agreement;
- (h) the consent letters referred to in paragraph 11 of this Part VII (*Additional Information*); and
- (i) this document.

## **PART VIII**

### **DEFINITIONS**

The following definitions apply throughout this document and the accompanying Form of Proxy, unless the context otherwise requires:

<b>“Acquisition”</b>	the proposed acquisition of the entire issued share capital of MarketMakers;
<b>“Acquisition Agreement”</b>	the conditional agreement between Centaur Communications and the Sellers dated 7 July 2017 relating to the sale and purchase of the entire issued share capital of MarketMakers, the principal terms of which are set out in Part VI ( <i>Principal Terms of the Acquisition</i> ) of this document;
<b>“Acquisition Completion”</b>	completion of the Acquisition in accordance with the terms of the Acquisition Agreement;
<b>“Acquisition Conditions”</b>	the conditions to Acquisition Completion as set out in the Acquisition Agreement;
<b>“Acquisition Long Stop Date”</b>	30 September 2017 or such other date as the parties to the Acquisition Agreement may agree;
<b>“Acquisition Resolution”</b>	Resolution 2 set out in the Notice of General Meeting, being an ordinary resolution to be proposed at the General Meeting to approve the Acquisition which conditional upon Resolution 1 in the Notice of General Meeting being passed;
<b>“Acquisition TSA”</b>	the agreed form transitional services agreement to be entered into between Centaur Communications, Ascent Publishing and Centaur Consumer Exhibitions relating to the provision of transitional services by Centaur Communications;
<b>“Announcement”</b>	the announcement of the Transactions as required by Listing Rule 10.5.1R;
<b>“Ascent Publishing”</b>	Ascent Publishing Limited;
<b>“Asset Transfer Agreement”</b>	the agreement dated 5 July 2017 between Centaur Communications, the Company, Ascent Publishing and Centaur Consumer Exhibitions pursuant to which Centaur Communications and the Company transferred certain assets to Ascent Publishing and Centaur Consumer Exhibitions, as described in Part V ( <i>Principal Terms of the Disposal</i> ) of this document;
<b>“Assets”</b>	the assets which are the subject of the Asset Transfer Agreement including the benefit (subject to the burden) of certain trading contracts and certain domain names, which together comprise some of the assets of the Home Interest Business;
<b>“Board” or “Directors”</b>	the directors of the Company as at the date of this document whose names are set out on page 1 of this document;
<b>“Centaur Communications”</b>	Centaur Communications Limited;
<b>“Centaur Consumer Exhibitions”</b>	Centaur Consumer Exhibitions Limited;

<b>“Centaur Media” or “the Company”</b>	Centaur Media PLC;
<b>“Continuing Group”</b>	the Group assuming completion of the Disposal but assuming the Acquisition does not complete;
<b>“CREST”</b>	the relevant system (as defined in the Regulations) in respect of which Euroclear is the operator (as defined in the Regulations);
<b>“CREST Manual”</b>	the rules governing the operation of CREST, consisting of the CREST Reference Manual, CREST International Manual, CREST Central Counterparty Service Manual, CREST Rules, Registrars Service Standards, Settlement Discipline Rules, CCSS Operations Manual, Daily Timetable, CREST Application Procedure and CREST Glossary of Terms (all as defined in the CREST Glossary of Terms promulgated by Euroclear on 15 July 1996 and as amended since);
<b>“CREST Proxy Instruction”</b>	a properly authenticated CREST message appointing and instructing a proxy to attend and vote in place of a Shareholder at the General Meeting and containing the information required to be contained in the CREST Manual;
<b>“Disclosure Guidance and Transparency Rules”</b>	the FCA’s disclosure guidance and transparency rules;
<b>“Disposal”</b>	the proposed disposal of the entire issued share capital of both Ascent Publishing and Centaur Consumer Exhibitions, which, following completion of the Asset Transfer Agreement, comprise the whole of the Home Interest Business;
<b>“Disposal Agreement”</b>	the conditional agreement between Future Publishing Limited, Future PLC and Centaur Communications dated 7 July 2017 relating to the transfer of the entire issued share capital of Ascent Publishing and Centaur Consumer Exhibitions, the principal terms of which are set out in Part V ( <i>Principal Terms of the Disposal</i> ) of this document;
<b>“Disposal Completion”</b>	completion of the Disposal in accordance with the terms of the Disposal Agreement;
<b>“Disposal Conditions”</b>	the conditions to Disposal Completion as set out in the Disposal Agreement;
<b>“Disposal Long Stop Date”</b>	30 September 2017 or such other date as the parties to the Disposal Agreement may agree;
<b>“Disposal Resolution”</b>	Resolution 1 set out in the Notice of General Meeting, being an ordinary resolution to be proposed at the General Meeting to approve the Disposal;
<b>“Disposal Tax Deed”</b>	the tax deed to be entered into at Disposal Completion between Future Publishing Limited and Centaur Communications relating to the Disposal;
<b>“Disposal TSA”</b>	the transitional services agreement to be entered into at Disposal Completion between Centaur Communications and Ascent Publishing and Centaur Consumer Exhibitions relating to the provision of transitional and content services by Centaur Communications to Ascent Publishing and Centaur Consumer Exhibitions;

<b>“EBITDA”</b>	profit before depreciation, amortisation, net finance expense and taxation;
<b>“ESMA”</b>	the European Securities and Markets Authority;
<b>“Euroclear”</b>	Euroclear UK & Ireland Limited;
<b>“Executive Directors”</b>	Andria Vidler and Swagatam Mukerji;
<b>“Financial Conduct Authority”</b> <b>“FCA”</b>	or the Financial Conduct Authority of the UK in its capacity as the competent authority for the purposes of Part VI of FSMA and in the exercise of its functions in respect of admission to the Official List otherwise than in accordance with Part VI of FSMA;
<b>“Form of Proxy”</b>	the form of proxy relating to the General Meeting being sent to Shareholders with this document;
<b>“FSMA”</b>	the Financial Services and Markets Act 2000, as amended from time to time;
<b>“General Meeting”</b>	the general meeting of the Company convened for 25 July 2017 (or any adjournment of it), notice of which is set out at the end of this document;
<b>“Group” or “the Centaur Media Group”</b>	the Company and its subsidiary undertakings from time to time;
<b>“Home Interest Business”</b>	Home Interest, the business to consumer division of Centaur Media comprising the holding of exhibitions and publication of magazines in the homebuilding and renovating sector;
<b>“IFRS”</b>	the International Financial Reporting Standards as adopted by the European Union;
<b>“Listing Rules”</b>	the listing rules made by the FCA under Part VI of FSMA (as amended from time to time);
<b>“London Stock Exchange”</b>	London Stock Exchange plc;
<b>“MAR”</b>	the Market Abuse Regulation (2014/596/EU);
<b>“MarketMakers”</b>	MarketMakers Incorporated Limited (company number 05063707);
<b>“Non-Executive Directors”</b>	Ronald Sandler, William Eccleshare, Robert Boyle and Rebecca Miskin;
<b>“Notice of General Meeting”</b> or <b>“Notice”</b>	the notice of General Meeting set out at the end of this document;
<b>“Official List”</b>	the Official List of the Financial Conduct Authority;
<b>“Ordinary Shares”</b>	the ordinary shares in the capital of the Company with a nominal value of 10 pence each in issue as at the date of this document;
<b>“Pre-Completion Group”</b>	the Company and its subsidiaries and subsidiary undertakings, prior to completion of the Disposal and the Acquisition;
<b>“Post-Completion Group”</b>	the Group assuming completion of both the Acquisition and the Disposal;

<b>“Profit Forecast”</b>	the profit forecast set out in the Company’s results for the year ended 31 December 2016 and described further in Part VII ( <i>Additional Information</i> ) of this document
<b>“Prospectus Rules”</b>	the rules made by the FCA under Part VI of FSMA in relation to offers of transferable securities to the public and admission of transferable securities to trading on a regulated market (as amended from time to time);
<b>“Purchaser”</b>	Future Publishing Limited a wholly owned subsidiary of Future PLC;
<b>“Regulations”</b>	the Uncertificated Securities Regulations 2001 of the United Kingdom;
<b>“Resolutions”</b>	the Disposal Resolution and the Acquisition Resolution;
<b>“Sellers”</b>	Paul Thomas, Henry Braithwaite, Kirsty Dawe and Tom James, comprising the sellers of MarketMakers;
<b>“Shareholder(s)”</b>	holder(s) of Ordinary Shares;
<b>“Shore Capital”</b>	Shore Capital and Corporate Limited;
<b>“Transactions”</b>	the Disposal and the Acquisition, each a “ <b>Transaction</b> ”; and
<b>“UK” or “United Kingdom”</b>	the United Kingdom of Great Britain and Northern Ireland.

## **PART IX**

### **DOCUMENTS INCORPORATED BY REFERENCE**

#### **1. Relevant documentation**

The following documentation, which was sent to Shareholders at the relevant time and/or is available for inspection in accordance with paragraph 12 of Part VII (*Additional Information*) of this document, contains information which is relevant to this document.

#### **2. Documentation incorporated by reference**

The table below sets out the documentation incorporated by reference into this document to ensure that Shareholders and others are aware of all information which, according to the particular nature of the Company, is necessary to enable Shareholders and others to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Company. For the avoidance of any doubt, no information incorporated by reference in such documentation shall be incorporated by reference into this document.

This document should be read and construed in conjunction with these documents, each of which has been previously published or are published simultaneously with this document and that have been filed with the National Storage Mechanism. Those parts of these documents that are not incorporated by reference are either not relevant for investors or covered elsewhere in this document.

Any information not listed below, but included in the documents incorporated by reference, is given for information purposes only.

<i>Reference Document</i>	<i>Information incorporated by reference</i>	<i>Reference Document Page Reference</i>	<i>Page Reference in this Document</i>
2016 Annual Report	Summaries of service contracts and letters of appointment	54-57	55
2016 Annual Report	Profit Forecast	4	57,58

## CENTAUR MEDIA PLC

### NOTICE OF GENERAL MEETING

NOTICE is hereby given that a General Meeting of Centaur Media plc (the “**Company**”) will be held at 12 noon on 25 July 2017 at the offices of Dechert LLP, 160 Queen Victoria Street, London, EC4V 4QQ for the purpose of considering and, if thought fit, passing the following resolutions as ordinary resolutions.

The results of the voting at the General Meeting will be announced through a Regulatory Information Service and will appear on the Company’s website ([www.centaurmedia.com](http://www.centaurmedia.com)).

### ORDINARY RESOLUTIONS

1. THAT the disposal of the entire issued share capitals of Ascent Publishing Limited and Centaur Consumer Exhibitions Limited (the “**Disposal**”) as described in the circular to shareholders of the Company dated 7 July 2017 of which this notice forms part (the “**Circular**”) be and is hereby approved and the directors of the Company (the “**Directors**”) (or any duly constituted committee thereof) be authorised to take all such steps as may be necessary or desirable in connection with, and to implement and complete, the Disposal and associated matters with such modifications, variations, revisions, waivers or amendments (not being modifications, variations, revisions, waivers or amendments which are material in nature) as the Directors (or any duly authorised committee thereof) may deem necessary, expedient or appropriate.
2. THAT, subject to and conditional upon the passing of Resolution 1 set out in the notice of general meeting of which this resolution forms part, the acquisition of the entire issued share capital of MarketMakers Incorporation Limited (the “**Acquisition**”) as described in the circular to shareholders of the Company dated 7 July 2017 of which this notice forms part (the “**Circular**”) be and is hereby approved and the directors of the Company (the “**Directors**”) (or any duly constituted committee thereof) be authorised to take all such steps as may be necessary or desirable in connection with, and to implement and complete, the Acquisition and associated matters with such modifications, variations, revisions, waivers or amendments (not being modifications, variations, revisions, waivers or amendments which are material in nature) as the Directors (or any duly authorised committee thereof) may deem necessary, expedient or appropriate.

*By order of the Board*

*Registered Office:*  
Wells Point  
79 Wells Street  
London  
W1T 3QN

**Swagatam Mukerji**  
*Company Secretary*  
7 July 2017

#### Notes:

1. Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that in order to have the right to attend and vote at the General Meeting (and also for the purpose of determining how many votes a person entitled to attend and vote may cast), a person must be entered on the register of members of the Company at 6.00 p.m. on 21 July 2017 or, in the event of any adjournment, 48 hours before the time appointed for the adjourned meeting. Changes to entries on the register of members after this time shall be disregarded in determining the rights of any person to attend or vote at the meeting.
2. Only holders of ordinary shares are entitled to attend and vote at this meeting.  
A member is entitled to appoint another person as his proxy to exercise all or any of his rights to attend, to speak and to vote at the General Meeting. A member may appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him. A proxy need not be a member of the Company. A form of proxy for the meeting is enclosed.

To be valid any proxy form or other instrument appointing a proxy must be received by our registrar Share Registrars Limited, The Courtyard, 17 West Street, Farnham, Surrey GU9 7DR or electronically at [www.shareregistrars.uk.com](http://www.shareregistrars.uk.com), in each case no later than 12.00 noon on 23 July 2017. If you are a CREST member, see note 3 below.

Completion of a form of proxy, or other instrument appointing a proxy or any CREST Proxy Instruction will not preclude a member attending and voting in person at the meeting if he/she wishes to do so.

3. Alternatively, if you are a member of CREST, you may register the appointment of a proxy by using the CREST electronic proxy appointment service. Further details are contained below.

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the General Meeting and any adjournment(s) thereof by using the procedures, and to the address, described in the CREST Manual subject to the provisions of the Company's articles of association. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor 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 using the CREST service to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK and Ireland (formerly CRESTCo) specifications and must contain the information required for such instructions, as described in the CREST Manual (available via [www.euroclear.com/CREST](http://www.euroclear.com/CREST)). The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer's agent (7RA36) not later than 48 hours before the time appointed for the meeting, or any adjourned 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 Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear UK and Ireland (formerly CRESTCo) 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(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

4. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may have a right, under an agreement between him/her and the member by whom he/she was nominated, to be appointed (or to have someone else appointed) as a proxy for the General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may have a right, under such an agreement, to give instructions to the member as to the exercise of voting rights.

The statement of the above rights of the members in relation to the appointment of proxies does not apply to Nominated Persons. Those rights can only be exercised by members of the Company.

5. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
6. Any member attending the General Meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
7. A copy of this notice, and other information required by section 311A of the Companies Act 2006, can be found on the Company's website ([www.centaurmedia.com](http://www.centaurmedia.com)).
8. As at 6 July 2017 (being the last practicable date prior to the publication of this notice) the Company's issued share capital consists of 151,410,226 ordinary shares, carrying one vote each. The Company holds 6,870,437 ordinary shares in treasury. Therefore, the total voting rights in the Company as at that date are 144,539,789.
9. You may not use any electronic address (within the meaning of section 333(4) of the Companies Act 2006) provided in this Notice of Meeting (or in any related documents including this document to Shareholders and any proxy form) to communicate with the Company for any purposes other than those expressly stated.

