

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. It contains the resolutions to be voted on at the General Meeting of Gfinity plc (“Gfinity” or the “Company”) to be held on 20 July 2016. If you are in any doubt about the action you should take you are recommended immediately to seek advice from your stockbroker, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) who specialises in advising on the acquisition of shares and other securities.**

The Directors of Gfinity, whose names appear on page 6 of this document, accept responsibility for the information contained in this document. To the best of the knowledge of the Directors (who have taken 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.

If you have sold or otherwise transferred all of your ordinary shares of 0.1p each in the capital of the Company (“Ordinary Shares”), please immediately forward this document, together with the Form of Proxy to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee. However, such documents should not be distributed, forwarded or transmitted in or into the United States, Canada, Australia or Japan or any other jurisdiction if to do so would constitute a violation of the relevant laws of such jurisdiction. If you have sold or transferred only part of your holding of Ordinary Shares you should retain these documents, and immediately consult the stockbroker, bank or other agent through whom the sale or transfer was effected. **This document should be read in conjunction with the accompanying Form of Proxy and the Notice of General Meeting as set out at the end of this Circular. The whole text of this document should be read.**

Notice of a General Meeting of Gfinity to be held at the offices of Fladgate LLP at 16 Great Queen Street, London, WC2B 5DG at 10.00 a.m. on 20 July 2016 is set out at the end of this document. Shareholders are urged to complete and return the enclosed Form of Proxy, in accordance with the instructions printed thereon, as soon as possible and, in any event, so as to be received by the Company’s registrars, Capita Asset Services, 34 Beckenham Road, Kent, BR3 4TU no later than 10.00 a.m. on 18 July 2016. Completion and return of the Form of Proxy will not preclude Shareholders from attending the meeting and voting in person should they subsequently wish to do so.

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## **GFINITY PLC**

*(Incorporated in England and Wales with registered number 08232509)*

**Proposed placing of 74,000,000 Ordinary Shares (“Placing Shares”) at a price of 5 pence per share (“Placing”)**

and

**Notice of General Meeting**



Nominated Adviser and Broker

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**Application will be made for the Placing Shares to be admitted to trading on the AIM market of the London Stock Exchange (“AIM”). The Placing Shares, when issued and fully paid, will rank pari passu in all respects with the Existing Ordinary Shares, including as regards the right to receive all dividends or other distributions declared, made or paid after Admission. No application has been made or is currently intended to be made for the Placing Shares to be admitted to trading or dealt on any other exchange. It is expected that dealings in the Placing Shares on AIM will commence on 21 July 2016.**

Allenby Capital Limited (“**Allenby Capital**”), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting as nominated adviser and broker to the Company in connection with the Placing and the proposed admission of the Placing Shares to trading on AIM and the proposals described in this document. It will not regard any other person as its client and will not be responsible to anyone else for providing the protections afforded to the clients of Allenby Capital or for providing advice in relation to such proposals. Allenby Capital has not authorised the contents of, or any part of, this document and no liability whatsoever is accepted by Allenby Capital for the accuracy of any information or opinions contained in this document or for the omission of any information. Allenby Capital as nominated adviser to the Company owes certain responsibilities to the London Stock Exchange which are not owed to the Company, the Directors, Shareholders or any other person.

The Placing Shares referred to in this Circular have not been and will not be registered under the US Securities Act of 1933, as amended (the “Securities Act”) and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the requirements of the Securities Act. There will be no public offer of the Placing Shares in the United States, the United Kingdom or elsewhere. The Placing Shares are being offered and sold outside the United States in reliance on Regulation S under the Securities Act. The Placing Shares have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission or other regulatory authority, nor have the foregoing authorities passed upon or endorsed the merits of this offering. Any representation to the contrary is a criminal offence in the United States and any re-offer or resale of any of the Placing Shares in the United States or to a US Person may constitute a violation of US law or regulation.

The distribution of this Circular and the offering or sale of the Placing Shares in certain jurisdictions may be restricted by law. No action has been taken by the Company or Allenby Capital that would permit an offering of the Placing Shares or possession or distribution of this Circular or any other offering or publicity material relating to the Placing Shares in any jurisdiction where action for that purpose is required. Persons into whose possession this Circular comes are required by the Company and Allenby Capital to inform themselves about and to observe any such restrictions.

This Circular is directed only at members of the Company falling within the meaning of Article 43(2)(a) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (all such persons together being referred to as “Relevant Persons”). This Circular must not be acted on or relied on by persons who are not Relevant Persons. This document does not constitute an offer of securities and accordingly is not a prospectus, neither does it constitute an admission document drawn up in accordance with the AIM Rules.

## **FORWARD LOOKING STATEMENTS**

This document includes “forward-looking statements” which include all statements other than statements of historical facts, including, without limitation, those regarding the Company’s financial position, business strategy, plans and objectives of management for future operations, or any statements preceded by, followed by or that include the words “targets”, “believes”, “expects”, “aims”, “intends”, “will”, “may”, “anticipates”, “would”, “could” or “similar” expressions or negatives thereof. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Company’s control that could cause the actual results, performance or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company’s present and future business strategies and the environment in which the Company will operate in the future. These forward looking statements speak only as at the date of this document. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained herein to reflect any change in the Company’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based unless it is required to do so by applicable law or the AIM Rules.

Copies of this Circular are available free of charge on the Company’s website [www.gfinityplc.com](http://www.gfinityplc.com)

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Circular posted to Shareholders	4 July 2016
Latest time and date for receipt of Form of Proxy	10.00 a.m. on 18 July 2016
General Meeting	10.00 a.m. on 20 July 2016
Admission of the Placing Shares to trading on AIM	8.00 a.m. 21 July 2016
CREST member accounts expected to be credited for the Placing Shares in uncertificated form (where applicable)	21 July 2016
Dispatch of definitive share certificates for Placing Shares in certificated form (where applicable)	by 28 July 2016

Each of the dates in the above timetable is subject to change at the absolute discretion of the Company. References to time in this Circular are to London time except when otherwise stated. If any of the above times and/or dates change, the revised time(s) and/or date(s) will be notified to shareholders by announcement through a Regulatory Information Service.

## PLACING STATISTICS

Issue price	5 pence
Number of Existing Ordinary Shares in issue as at the date of this document	83,413,570
Total number of Placing Shares	74,000,000
Enlarged Share Capital following the Placing	157,413,570
Percentage of the Enlarged Share Capital comprised by the Placing Shares	47.01%
Estimated gross proceeds of the Placing	£3,700,000
Estimated net proceeds of the Placing	£3,630,000
ISIN	GB00BT9QD572
SEDOL	BT9QD57

## DEFINITIONS

<b>“Admission”</b>	the admission to trading on AIM of the Placing Shares, which is expected to take place on 21 July 2016
<b>“AIM Rules”</b>	the AIM rules for Companies, as published and amended from time to time by the London Stock Exchange
<b>“Allenby Capital”</b>	Allenby Capital Limited, the Company’s nominated adviser and broker pursuant to the AIM Rules
<b>“Articles”</b>	the existing articles of association of the Company as at the date of this Circular
<b>“Business Day”</b>	any day (other than a Saturday or Sunday) upon which commercial banks are open for business in London, UK
<b>“Capita” or “Capita Asset Services”</b>	a trading name of Capita Registrars Limited
<b>“Circular”</b>	this document
<b>“Company” or “Gfinity”</b>	Gfinity Plc
<b>“CREST”</b>	the relevant system for the paperless settlement of trades and the holding of uncertificated securities operated by Euroclear UK and Ireland in accordance with the CREST Regulations
<b>“CREST member”</b>	a person who has been admitted by Euroclear UK and Ireland as a system-member (as defined in the CREST Regulations)
<b>“Directors” or “Board”</b>	the directors of the Company
<b>“Enlarged Share Capital”</b>	the issued ordinary share capital of the Company immediately following Admission
<b>“Euroclear UK &amp; Ireland”</b>	Euroclear UK & Ireland Limited, the operator of CREST
<b>“Existing Ordinary Shares”</b>	the existing Ordinary Shares as at the date of this Circular
<b>“Form of Proxy”</b>	the form of proxy accompanying this Circular
<b>“FCA”</b>	the Financial Conduct Authority of the United Kingdom
<b>“FSMA”</b>	the Financial Services and Markets Act 2000 (as amended)
<b>“General Meeting” or “GM”</b>	the general meeting of Shareholders to be held at the offices of Fladgate LLP at 16 Great Queen Street, London, WC2B 5DG at 10.00 a.m. on 20 July 2016
<b>“ISIN”</b>	International Securities Identification Number
<b>“Issue Price”</b>	5 pence per Placing Share
<b>“London Stock Exchange”</b>	London Stock Exchange plc
<b>“Member Account ID”</b>	the identification code or number attached to any member account in CREST

<b>“News UK”</b>	News Corp UK & Ireland Limited, a subsidiary of the global media group, News Corporation, publishers of The Sun newspaper
<b>“Notice of General Meeting”</b>	the notice of General Meeting set out at the end of this Circular
<b>“On-line Views”</b>	the number of connections to a Gfinity streamed event
<b>“Ordinary Shares”</b>	the ordinary shares of 0.1p each in the capital of the Company
<b>“Overseas Shareholder”</b>	a Shareholder who is resident in, or who is a citizen of, or who has a registered address in a jurisdiction outside the United Kingdom
<b>“Placees”</b>	the persons who have conditionally agreed to subscribe for the Placing Shares
<b>“Placing”</b>	the placing of the Placing Shares at the Issue Price as described in this Circular
<b>“Placing Agreement”</b>	the conditional agreement dated 4 July 2016 between the Company (1) and Allenby Capital (2) relating to the Placing
<b>“Placing Shares”</b>	the 74,000,000 new Ordinary Shares which have been conditionally placed with institutional and other investors pursuant to the Placing
<b>“Registrars”</b>	Capita Asset Services
<b>“Resolutions”</b>	the resolutions numbered 1 and 2 to be proposed at the General Meeting
<b>“Restricted Jurisdiction”</b>	each and any of the United States of America, Australia, Canada, Japan, New Zealand, Russia, and the Republic of South Africa and any other jurisdiction where extension or availability of the Placing would breach any applicable law or regulations
<b>“Shareholder(s)”</b>	holder(s) of Existing Ordinary Shares
<b>“sterling”, “pounds sterling”, “£”, “pence” or “p”</b>	the lawful currency of the United Kingdom
<b>“US\$” or “US dollar”</b>	the lawful currency of the United States of America
<b>“US Person”</b>	a US person as defined in Regulation S promulgated under the US Securities Act
<b>“US Securities Act”</b>	the United States Securities Act of 1933 (as amended)
<b>“Vue”</b>	Vue Entertainment International, a worldwide operator and developer of multiplex cinemas.

# GFINITY PLC

*(Incorporated and registered in England and Wales under the Companies Act 2006  
with registered number 08232509)*

Tony Collyer *(Non-Executive Chairman)*  
Neville Upton *(Chief Executive Officer)*  
Jonathan Hall *(Finance Director)*  
Philip Shuldham-Legh *(Marketing Director)*  
Paul Kent *(Technology & eSports Director)*  
David Yarnton *(Non-Executive Director)*  
Jon Varney *(Non-Executive Director)*

35 New Bridge Street  
London  
EC4V 6BW

4 July 2016

Dear Shareholder,

## **Proposed Placing and Notice of General Meeting**

### **1. Introduction**

The Company announced today that it proposes to raise approximately £3.7 million (before expenses) by way of a placing of 74,000,000 Placing Shares at 5 pence per Placing Share with existing and new investors. The purpose of this letter is to explain to Shareholders the background to and reasons for the Placing.

As the allotment and issue of the Placing Shares will exceed the existing authorities which the Directors have to allot new Ordinary Shares for cash on a non pre-emptive basis, a General Meeting of Shareholders is being convened to seek approval to grant new authorities to enable the Directors to complete the Placing.

Accordingly, the Company is seeking the approval of Shareholders to the Resolutions which are to be put to the General Meeting of the Company to be held at the offices of Fladgate LLP at 16 Great Queen Street, London, WC2B 5DG at 10.00 a.m. on 20 July 2016. If Shareholder approval of these resolutions is not given at the General Meeting, the Placing as currently envisaged will not proceed. The Notice of General Meeting is set out at the end of this Circular and a Form of Proxy is also enclosed for you to complete. This letter includes an explanation of the Resolutions.

The Placing Shares to be issued pursuant to the Placing are to be admitted to trading on AIM, which is expected to take place at 8.00 a.m. on 21 July 2016, should the Resolutions be passed at the General Meeting.

### **2. Background to and reasons for the Placing**

#### *Calendar year 2015 overview*

On 22 December 2014, Gfinity was admitted to AIM having successfully raised £3.5 million before costs and expenses via a placing of 20,588,235 Ordinary Shares at a price of 17 pence per share. The net proceeds of this fundraising were used to pursue the expansion of the business and to support its 2015 event schedule with the aim to create the UK's premier eSports arena and strengthen the position of gfinity.net as the premium hub for eSports news, content and interaction. At the time of admission to AIM, the Company planned to establish a new eSports studio from which the Company would stage the majority of its events in 2015.

In February 2015, the Company announced an agreement with Vue to launch the UK's first premier eSports arena at Fulham Broadway cinema in London. The agreement transformed part of the Vue Fulham Broadway multiplex into a dedicated 600-capacity eSports venue, called the Gfinity Arena. The Gfinity Arena opened in March 2015 for the start of the 2015 Gfinity Championships, which comprised 23 events that concluded in September 2015.

The Championships series saw some of the top international teams and players compete for prestige and prize money across five major eSports titles: Call of Duty: Advanced Warfare; Counter Strike: Global Offensive; Hearthstone; FIFA 15; and Starcraft 2. The Company secured 58.5 million On-line Views for these events, exceeding its target of 50 million.

During 2015, the Company also announced a major sponsorship agreement with News UK for the Sun to become Gfinity's official newspaper and on-line news partner in the UK and Ireland. This two-year commercial partnership was the first major agreement signed by Gfinity since its admission to AIM and contributed towards the Company achieving its revenue target in the year ended 30 June 2015.

Outside of the major off-line events, the Company also expanded its on-line offering, adding new game titles including Rocket League, Smite and Gears of War, growing the number of registered users to over 400,000.

On 2 November 2015, the Company announced a placing to raise a further £1m at 19p per share. This placing allowed Gfinity to progress the development of a number of new assets, to complement its service offering, including the tournament builder application for Xbox One and the GTV media player.

#### *Calendar year 2016 overview*

During the current calendar year the Company:

- was selected by Microsoft to provide a dedicated link to Microsoft's TV platform, with equipment housed within the Gfinity Arena;
- was appointed by Microsoft in January 2016 to host the Xbox European FIFA 16 Play Like a Legend Championship for a second successive year;
- moved into mobile gaming in February 2016 when selected by Super Evil Megacorp to stage "The Vainglory Winter Championship" finals;
- staged an exclusive Race Off event in conjunction with Formula E, with content shown on BT Sport that attracted strong viewership;
- entered a partnership with leading US online tournament organiser, CEVO, to jointly stage the Gfinity CEVO Counter Strike Pro-League Series Finals at the Gfinity Arena in April and May 2016;
- launched Gfinity TV in beta in April 2016 for the Gfinity CEVO Counter Strike event;
- staged the launch of Battlefield 1 in April 2016 at the Gfinity Arena;
- launched the tournament builder application for Xbox One, achieving more than 35,000 downloads in the first month after release;
- staged the UK leg of Halo World Series;
- signed an agreement with Gillette in June 2016 to partner in staging a football based eSport competition, "the Gillette Championship";
- signed a partnership agreement with Futhead.com, the largest FIFA Ultimate Team community in the world, to operate a series of FIFA 16 Ultimate Team competitions; and
- further grew its online registered user base to over 590,000.

#### *Reasons for the Placing*

Through the success of the 2015 schedule of events and the investment in a range of assets, including those referenced above together with the Gfinity arena and gfinity.net tournament system, the Directors believe that Gfinity has created a strong position from which to grow. They also believe, however, that to capitalise on this position additional funding is required as the Company moves into the financial year that commenced on 1 July 2016.

The Directors believe the additional funding will provide greater confidence, both among the investor community and potential partners looking to do business with the Company, as to its long term financial security. The Placing also provides Gfinity with an opportunity to involve in the business a new significant shareholder, with strong sector experience, who the Directors believe will make a positive impact on the Company's future prospects.

In their strategy for growth, the Directors intend to focus the Company on the following four principal areas:

1. Gfinity events:

These are Gfinity branded events, to which the Company owns and exploits the commercial rights, including sponsorship and broadcast revenues, both from online streaming platforms and conventional TV broadcasters, who are now starting to demand eSports content;

2. Third party events:

These are paid for events for game publishers or bespoke events for sponsors looking to use eSports to reach their target demographic. Gfinity is already seen as a leading provider of such events and has staged paid for championships for titles across PC, console and mobile devices and will look to move this onto the international stage;

3. Gfinity Arena:

The Company will utilise its unique, broadcast and streaming capability to let its arena for content creation, events and product launches (such as that of FIFA 16 and Battlefield 1 referred to above); and

4. Online and Applications:

The Company provides a forum for online competition for all levels of eSports enthusiast, utilising Gfinity's online platform and tournament builder app which enables users to create their own leagues, ladders and cups across any title and invite their friends to play, provided all are registered users with Gfinity. The tournament builder app is currently exclusive to Xbox One users, but the Company plans to roll it out to other platforms.

### **3. Use of Placing proceeds**

The net proceeds of the Placing will be approximately £3.63 million and are expected to be applied as follows:

- expanding sales and marketing expenditure to build on the strong reputation and suite of assets that Gfinity has created to drive revenues and registrations to Gfinity.net;
- continuing to develop the GTV media player and Gfinity's tournament builder application, including the roll out of the builder application in new geographies and onto new platforms, including PC;
- further developing Gfinity's own events series, with the creation of new tournaments which directors believe can represent ongoing properties for the Company; and
- general working capital.

### **4. Details of the Placing and Admission**

The Company is planning to raise £3,700,000 (before expenses) for the Company by way of a conditional placing, conducted by Allenby Capital, of the Placing Shares at 5 pence per Placing Share with institutional and other investors.

The Placing is conditional, inter alia, upon:

- a) the passing of the Resolutions;
- b) the Placing Agreement (as described in more detail below) becoming unconditional in all respects and not having been terminated in accordance with its terms; and
- c) admission of the Placing Shares to trading on AIM becoming effective by not later than 8.00 a.m. on 21 July 2016 (or such later time and/or date (not being later than 29 July 2016) as Allenby Capital and the Company may agree).

Accordingly, if such conditions are not satisfied, or, if applicable, waived, the Placing will not proceed.

The Placing will result in the issue of a total of 74,000,000 Placing Shares, representing, in aggregate, approximately 47.01 per cent. of the Enlarged Share Capital. The Placing Shares, when issued and fully paid, will rank pari passu in all respects with the Existing Ordinary Shares and therefore will rank equally for all dividends or other distributions declared, made or paid after the date of issue of the Placing Shares.

Application will be made to London Stock Exchange for the Placing Shares to be admitted to trading on AIM and such admission is expected to occur on 21 July 2016. It is expected that CREST accounts will be credited on the day of Admission as regards the Placing Shares in uncertificated form and that certificates for Placing Shares to be issued in certificated form will be dispatched by first class post by 28 July 2016.

## 5. The Placing Agreement

Pursuant to the terms of the Placing Agreement, Allenby Capital, as agent for the Company, has agreed conditionally to use its reasonable endeavours to procure places for the Placing Shares at the Issue Price. The Placing is not underwritten.

The obligations of Allenby Capital under the Placing Agreement are conditional, among other things, upon: (i) the passing of Resolutions; and (ii) Admission becoming effective by not later than 8.00 a.m. on 21 July 2016 (or such later time and/or date as Allenby and the Company may agree).

The Placing Agreement contains certain warranties and indemnities given by the Company in favour of Allenby Capital as to certain matters relating to the Company and its business. The obligations of Allenby Capital under the Placing Agreement may be terminated in certain circumstances if there occurs either a material breach of any of the warranties or if a materially adverse event occurs at any time prior to Admission. Such rights exist in the event that such circumstances arise prior to Admission. If the conditions in the Placing Agreement are not fulfilled on or before the relevant date in the Placing Agreement then the subscription monies will be returned to Placees without interest.

The Placing Agreement also provides for the Company to pay Allenby Capital commissions and certain other costs and expenses incidental to the Placing and Admission.

## 6. Substantial Shareholders

Based upon shareholdings as at 1 July 2016 and assuming completion of the Placing, the following persons will be interested in 3 per cent. or more of the Enlarged Share Capital on Admission:

<i>Name</i>	<i>Existing Ordinary Shares</i>	<i>Percentage of Existing Ordinary Shares</i>	<i>Ordinary Shares on Admission</i>	<i>Percentage of Enlarged Share Capital</i>
Charles Street International Holdings Limited	Nil	Nil	47,200,000	29.98%
Euroblue Investments Limited	11,240,000	13.48%	21,140,000	13.43%
Hargreave Hale Limited	8,894,571	10.66%	15,094,571	9.59%
Neville Upton	14,710,579	17.64%	14,710,579	9.35%

Charles Street International Holdings Limited ("**Charles Street**") is a Hong Kong based investment company. The Charles Street group of companies was originally founded in the UK by Robert Keith and Thomas Fussell, principally to invest in technology companies, and it has built a large portfolio of investments in this sector in private and public companies. Accordingly, as well as their backgrounds and experience, the Charles Street team has significant knowledge and connections in Gfinity's business space and related areas and therefore the Directors believe their involvement in the Placing will be beneficial to the growth of the Company. Whilst Charles Street is typically a passive investor, it is expected that it will provide strategic advice and introductions to help the Directors develop Gfinity's business.

The Company, Allenby Capital and Charles Street International Holdings Limited have entered into a relationship agreement pursuant to which Charles Street International Holdings Limited, in its capacity as a substantial shareholder, has given various undertakings to the Company and Allenby Capital regarding the relationship between Charles Street International Holdings Limited, its associates and the Company. In

particular Charles Street International Holdings Limited has agreed that the business and affairs of the Company will be managed by the Board in accordance with the Company's articles of association and all applicable laws. Charles Street International Holdings Limited has also agreed to use its voting rights such that the Company is capable at all times of carrying on its business independently of the Charles Street International Holdings Limited and its associates. The agreement will terminate if Charles Street International Holdings Limited and its associates cease to be interested in more than 20 per cent. of the Company's voting share capital.

## **7. Employee share incentives**

The Company's remuneration committee is aware of the need to keep the executive management team suitably incentivised, particularly in view of the dilution in their shareholdings that will be caused by the Placing. Accordingly, the remuneration committee intends to grant options over a number of new Ordinary Shares of which some will be granted to executive directors. The exact number and exercise price of these options will be determined by the remuneration committee.

## **8. Related Party Transactions**

Two existing shareholders of the Company, Euroblue Investments Limited and Hargreave Hale Limited ("**Substantial Shareholders**"), are subscribing for 9,900,000 and 6,200,000 Placing Shares respectively. As the Substantial Shareholders currently hold more than 10 per cent. of the Existing Ordinary Shares, the subscriptions by them of Placing Shares are deemed to be related party transactions pursuant to rule 13 of the AIM Rules. Accordingly, the Directors consider, having consulted with the Company's nominated adviser, Allenby Capital, that the terms of subscription to the Placing Shares by the Substantial Shareholders are fair and reasonable insofar as Shareholders are concerned, for the purposes of rule 13 of the AIM Rules.

## **9. General Meeting**

A notice convening a General Meeting of the Company, to be held at the offices of Fladgate LLP at 16 Great Queen Street, London, WC2B 5DG at 10.00 a.m. on 20 July 2015 is set out at the end of this Circular. At the General Meeting, the following Resolutions will be proposed:

1. an ordinary resolution to grant authority to the Directors to allot Ordinary Shares up to an aggregate nominal amount of £74,000 and limited to the allotment of the Placing Shares pursuant to the Placing; and
2. a special resolution to dis-apply statutory pre-emption rights in respect of the allotment for cash of up to 74,000,000 Ordinary Shares with an aggregate nominal amount of up to and limited to the allotment of Placing Shares pursuant to the Placing.

Resolution 1 will be proposed as an ordinary resolution and Resolution 2 as a special resolution.

## **10. Action to be taken by Shareholders**

Shareholders will find accompanying this Circular a Form of Proxy for use at the General Meeting. Whether or not Shareholders intend to be present at the General Meeting, they are requested to complete, sign and return the Form of Proxy in accordance with the instructions printed on it to Capita Asset Services, PXS1, 34 Beckenham Road, Kent, BR3 4ZF as soon as possible and, in any event, so as to arrive no later than 10.00 a.m. on 18 July 2016. Completion and return of the Form of Proxy will not affect Shareholders' right to attend and vote in person at the General Meeting if they so wish. Further information regarding the appointment of proxies can be found in the notes to the Notice of General Meeting.

In the case of non-registered Shareholders who receive these materials through their broker or other intermediary, the Shareholder should complete and send a letter of direction in accordance with the instructions provided by their broker or other intermediary.

**In order for the Placing to proceed, Shareholders will need to approve both of the Resolutions set out in the Notice of General Meeting. If the Resolutions are not passed at the General Meeting, the Placing will not proceed in the form currently envisaged, with the result that the anticipated net proceeds of the Placing will not become available to fund proposed upcoming expenditure and achieve the objectives set by the Board and the Company's business plans, growth prospects and available working capital may be materially adversely affected as a result.**

**Accordingly it is important that Shareholders vote in favour of the Resolutions, in order that the Placing can proceed.**

#### **11. Directors' Recommendation**

The Directors consider the Placing to be in the best interests of the Company and its Shareholders as a whole and unanimously recommend that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting as they intend to do in respect of their own beneficial holdings of 17,645,158 Existing Ordinary Shares, representing approximately 21.2 per cent. of the Existing Ordinary Shares.

Yours faithfully

**Tony Collyer**  
*Chairman*

# GFINITY PLC

*(Incorporated and registered in England and Wales under the Companies Act 2006  
with registered no. 08232509)*

## NOTICE OF GENERAL MEETING

**NOTICE IS GIVEN** that a General Meeting of Gfinity plc ("**Gfinity**" or the "**Company**") will be held at the offices of Fladgate LLP at 16 Great Queen Street, London, WC2B 5DG at 10.00 a.m. on 20 July 2016 for the purpose of considering and, if thought fit, passing the following resolutions, of which Resolution 1 will be proposed as an ordinary resolution and Resolution 2 will be proposed as a special resolution.

### Resolution 1

That the Directors be and they are generally and unconditionally authorised in accordance with section 551 of the Companies 2006 Act (the "**CA 2006**") to exercise all powers of the Company to allot ordinary shares of 0.1p each in the capital of the Company ("**Ordinary Shares**") up to an aggregate nominal amount of £74,000 pursuant to the Placing (as defined in the Company's circular to shareholders dated 4 July 2016, of which this notice of general meeting forms part (the "**Circular**")), provided that this authority shall be in addition to and not in substitution for all previous authorities pursuant to section 551 CA 2006 and shall expire at whichever is the earlier of the conclusion of the next Annual General Meeting of the Company and 20 July 2017.

### Resolution 2

That, conditional on the passing of Resolution 1 above, the Directors be and they are empowered pursuant to Section 571 CA 2006 to allot equity securities (within the meaning of section 560 CA 2006) for cash pursuant to the authority conferred by Resolution 1 above as if section 561(1) CA 2006 did not apply to any such allotment, provided that this power shall be limited to the allotment of Ordinary Shares up to an aggregate nominal amount of £74,000 pursuant to the Placing (as defined in the Circular) and will expire at whichever is the earlier of the conclusion of the next Annual General Meeting of the Company and 20 July 2017.

Explanatory Notes:

Resolution 1 enables the Directors to allot the Placing Shares for the purposes of the Placing. As explained in the Circular, the Placing Shares will, upon allotment, represent 47.01 per cent. of the Enlarged Share Capital (as defined in the Circular).

Resolution 2 entails the waiver by Shareholders' of their statutory pre-emption rights in respect of the Placing Shares to be issued for the purposes of the Placing and enables the Directors to allot these Placing Shares for cash other than on a pre-emptive basis.

By order of the Board of Directors

### Jonathan Hall

*Company Secretary*

4 July 2016

*Registered Office*

35 New Bridge Street  
London  
EC4V 6BW

## Notes to the notice of General Meeting

### *Entitlement to attend and vote*

1. The only members entitled to attend and vote at the meeting are those who are registered on the Company's register of members at:
  - 1.1 6.00 p.m. on 18 July 2016; or
  - 1.2 if the meeting is adjourned, at 6.00 p.m. on the day two days prior to the adjourned meeting.

### *Appointment of proxies*

2. If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the meeting and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
3. A proxy does not need to be a member of the Company but must attend the meeting to represent you. Details of how to appoint the chairman of the meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the meeting you must appoint your own choice of proxy (not the chairman) and give your instructions directly to the relevant person.
4. You may appoint more than one proxy so long as each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, you must complete a separate proxy form (which you may photocopy) for each proxy and specify against the proxy's name the number of shares over which the proxy has rights. If you are in any doubt as to the procedure to be followed for the purpose of appointing more than one proxy you must contact the Company's registrars, Capita Asset Services, PXS1, 34 Beckenham Road, Kent BR3 4ZF. If you fail to specify the number of shares to which each proxy relates, or specify a number of shares greater than that held by you on the record date, proxy appointments will be invalid.
5. If no voting indication is given, your proxy will vote or abstain from voting at their discretion. Your proxy will vote (or abstain from voting) as they think fit in relation to any other matter which is put before the meeting.

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

6. The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote. To appoint a proxy using the proxy form, it must be:
  - 6.1 completed and signed;
  - 6.2 sent or delivered to the Company's registrar, Capita Asset Services at PXS1, 34 Beckenham Road, Kent BR3 4ZF; and
  - 6.3 received by the Company's registrar no later than 10.00 a.m. on 18 July 2016.
7. In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

### *Appointment of proxies through CREST*

8. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) of it by using the procedures described in the CREST Manual (available from <https://www.euroclear.com/site/public/EUI>). 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 made by means of CREST to be valid, the appropriate CREST message (CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's (EUI) specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by our agent (ID: RA10) by 10.00 a.m. on 18 July 2016. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI 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 is necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

### *Appointment of proxy by joint members*

9. In the case of joint holders of shares, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder (being the first named holder in respect of the shares in the Company's register of members) will be accepted.

#### *Changing proxy instructions*

10. To change your proxy instructions simply submit a new proxy appointment using the methods set out in notes 6 to 9 above. Note that the cut off time for receipt of proxy appointments specified in those notes also applies in relation to amended instructions. Any amended proxy appointment received after the specified cut off time will be disregarded.
11. Where you have appointed a proxy using the hard copy proxy form and would like to change the instructions using another hard copy proxy form, please contact the Company registrar as indicated in note 8 above. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

#### *Termination of proxy appointments*

12. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to the Company's registrar, Capita Asset Services at PXS1, 34 Beckenham Road, Kent BR3 4ZF. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.
13. The revocation notice must be received by the Company no later than 10.00 a.m. on 18 July 2016.
14. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to paragraph 15 below, your proxy appointment will remain valid.
15. Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.

#### *Corporate representatives*

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

#### *Issued shares and total voting rights*

17. As at 10.00 a.m. on 1 July 2016, the Company's issued share capital comprised 87,413,570 ordinary shares of 0.1p each. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 10.00 a.m. on 1 July 2016 is 87,413,570.

#### *Communication*

18. Except as provided above, members who have general queries about the meeting should contact the Company's registrar, Capita Asset Services at 34 Beckenham Road, Kent BR3 4TU.