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If you have sold or transferred all your Ordinary Shares in Sarossa Plc, you should send this document, together with the accompanying Form of Proxy, to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

**This document, which relates to Sarossa Plc, has been prepared in accordance with the City Code on Takeovers and Mergers.**

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## **Sarossa Plc**

*(Incorporated in Jersey under the Companies (Jersey) Law 1991 (as amended) with registered number 115158)*

**Proposed acquisition of the entire issued share capital of ORA Limited**

**Proposed Tender Offer buyback of Shares**

**Proposed waiver of Rule 9 of the City Code on Takeovers and Mergers**

**Proposed increase in share capital**

**Proposed change of the Company's name to ORA Capital Plc**

**Notice of General Meeting**

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**Notice of a General Meeting of the Company, to be held at the Company's registered office at Floor 1 Liberation Station, The Esplanade, St Helier, Jersey, JE2 3AS, at 11.00 a.m. on 20 July 2016 is set out at the end of this document. Shareholders will find enclosed a Form of Proxy for use at the General Meeting. To be valid, the Form of Proxy should be completed and returned 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, Neville Registrars (Proxies), Neville House, 18 Laurel Lane, Halesowen, B63 3DA no later than 48 hours (not including non-working days) before the time appointed for holding the General Meeting. Completion and posting of the Form of Proxy will not prevent a Shareholder from attending and voting in person at the General Meeting.**

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## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this document	20 June 2016
Latest time and date for receipt of white Forms of Proxy in respect of the General Meeting	11.00 a.m. on 18 July 2016
Tender Offer Record Date	11.00 a.m. on 18 July 2016
Latest time and date for receipt of yellow Tender Forms and TTE instructions	11.00 a.m. on 18 July 2016
General Meeting	11.00 a.m. on 20 July 2016
Expected announcement of results of the General Meeting on the Company's website	20 July 2016
Expected completion of the Acquisition and despatch of certificates for Consideration Shares	29 July 2016
Expected completion of purchase of Shares under the Tender Offer	29 July 2016
Expected announcement of results of the Tender Offer on the Company's website	29 July 2016
Expected settlement date for the Tender Offer: cheques despatched, assured payments made through CREST (balance share certificates for unsold Shares posted)	29 July 2016

All the above times refer to British Summer Time.

If any of the above fixed times and/or dates change, the revised times and/or dates will be notified to Shareholders by post.

## DIRECTORS, SECRETARY AND ADVISERS

<b>Directors</b>	Michael Anthony Bretherton – <i>Executive Chairman</i> Jonathan Morley-Kirk – <i>Non-executive Director</i> Ross Hollyman – <i>Non-executive Director</i>  all of the registered office as set out below
<b>Company Secretary</b>	James Sutcliffe
<b>Registered Office</b>	Floor 1 Liberation Station The Esplanade St Helier Jersey JE2 3AS
<b>Financial Adviser</b>	WH Ireland Limited 24 Martin Lane London EC4R 0DR
<b>Auditors to the Company</b>	Grant Thornton Limited Kensington Chambers 46/50 Kensington Place St Helier Jersey JE1 1ET
<b>Solicitors to the Company (Jersey Law)</b>	Walkers Walker House 28-34 Hill Street St Helier Jersey JE4 8PN
<b>Registrar &amp; Transfer Agent</b>	Neville Registrars Limited Neville House 18 Laurel Lane Halesowen B63 3DA

## DEFINITIONS

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

“acting in concert”	shall have the meaning ascribed thereto in the City Code
“Acquisition”	the proposed acquisition by the Company of the entire issued share capital of ORA Limited to be effected pursuant to the Acquisition Agreement
“Acquisition Agreement”	the conditional agreement dated 15 June 2016 between the ORA Shareholders and the Company under which the Company has conditionally agreed to acquire the entire issued share capital of ORA
“Admission”	admission of the Ordinary Shares to trading on AIM
“AIM”	the market of that name operated by the London Stock Exchange
“Cancellation”	the cancellation of Admission on 1 February 2016
“City Code”	the City Code on Takeovers and Mergers
“Code Waiver”	the waiver, conditional upon the passing of the Whitewash Resolution, by the Panel of the obligation on the Concert Party that may otherwise arise under Rule 9 of the City Code to make a mandatory cash offer for the issued Ordinary Shares not already owned by it as a result of the Acquisition and the Tender Offer
“Company” or “Sarossa”	Sarossa Plc
“CREST”	the computer system (as defined in the Companies (Uncertificated Securities) (Jersey) Order 1999) operated by Euroclear UK & Ireland Limited which facilitates the transfer of title to shares in uncertificated form
“Concert Party”	Richard Griffiths, Michael Bretherton and James Ede-Golightly, each of Floor 1 Liberation Station, The Esplanade, St Helier, Jersey JE2 3AS
“Consideration Shares”	the 462,008,478 Ordinary Shares to be issued to the ORA Shareholders in consideration for the Acquisition at a price of 1.31 pence per Ordinary Share, pursuant to and subject to the terms of the Acquisition Agreement
“Directors” or “the Board”	the directors of the Company at the date of this document, whose names are set out on page 4 of this document
“Enlarged Group”	the Company and ORA Limited
“Form of Proxy”	the white form of proxy enclosed with this document for use by Shareholders in connection with the General Meeting
“GM” or “General Meeting”	the general meeting of the Company (or any adjournment of such meeting) convened for 11.00 a.m. on 20 July 2016 at the registered office of the Company at Floor 1 Liberation Station, The Esplanade, St Helier, Jersey JE2 3AS, for which the notice is set out at the end of this document
“Independent Directors”	Ross Hollyman and Jonathan Morley-Kirk

“Independent Shareholders”	Shareholders other than the members of the Concert Party
“Law”	the Companies (Jersey) Law 1991 (as amended)
“London Stock Exchange”	London Stock Exchange plc
“NAV”	net asset value
“ORA” or “ORA Limited”	ORA Limited, a company incorporated in Jersey with registered number 114893 and having its registered office at Kensington Chambers, 46/50 Kensington Place, St Helier, Jersey, JE1 1ET
“ORA Shareholders”	the holders of the issued shares in ORA Limited immediately prior to the completion of the Acquisition
“Ordinary Shares” or “Shares”	ordinary shares of 1p each in the capital of the Company
“Panel”	the Panel on Takeovers and Mergers
“Proposals”	the Acquisition, Tender Offer and Code Waiver
“Proposed Directors”	Richard Griffiths and James Ede-Golightly
“Receiving Agent”	Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen B63 3DA
“Resolution 1”	the ordinary resolution to be proposed at the GM in relation to (a) the authority to allot Shares pursuant to the Acquisition and (b) the approval of the terms of the Acquisition Agreement relating to the buyback of Shares pursuant to the Acquisition Agreement
“Resolution 2”	the special resolution to be proposed at the GM in relation to the buyback of Shares pursuant to the Tender Offer
“Resolution 3” or “Whitewash Resolution”	the ordinary resolution to be proposed at the GM in relation to the Code Waiver
“Resolution 4”	the special resolution to be proposed at the GM to change the name of the Company to ORA Capital Plc
“Resolution 5”	the special resolution to be proposed at the GM in relation to the buyback of Shares pursuant to the Acquisition Agreement
“Resolution 6”	the special resolution to be proposed at the GM in relation to the alteration of the memorandum of association of the Company to provide for an increase in authorised share capital of the Company
“Restricted Territories”	the United States, Canada, Australia, South Africa or Japan
“Resolutions”	the resolutions to be proposed at the GM as set out in the notice at the end of this document
“Sarossa Group”	the Company and its subsidiary undertakings
“Selling Shareholders”	those Shareholders who are selling Shares pursuant to the Tender Offer (and each a “Selling Shareholder”)
“Shareholder”	a holder of Ordinary Shares
“Tender Form”	the yellow tender form enclosed with this document for use in respect of an acceptance of the Tender Offer by Selling Shareholders holding Shares in certificated form

“Tender Offer”	the tender offer to buy back up to 152,671,756 Shares, details of which are set out in this document
“Tender Offer Amount”	the £2.00 million value of the Tender Offer at the Tender Price
“Tender Offer Record Date”	11.00 a.m. on 18 July 2015
“Tender Price”	1.31 pence per Share
“TTE Instruction”	a transfer to escrow instruction (as defined in the CREST Manual by Euroclear)
“WH Ireland”	WH Ireland Limited, financial adviser to the Company

## **PART I**

### **LETTER FROM THE INDEPENDENT DIRECTORS**

#### **Sarossa Plc**

*(Incorporated in Jersey under the Companies (Jersey) Law 1991 (as amended) with registered number 115158)*

*Directors*

Michael Bretherton  
Jonathan Morley-Kirk  
Ross Hollyman

*Registered office*

Floor 1 Liberation Station  
The Esplanade  
St Helier  
Jersey  
JE2 3AS

20 June 2016

**Proposed acquisition of ORA Limited**  
**Proposed Tender Offer buyback of Shares**  
**Proposed waiver of Rule 9 of the City Code on Takeovers and Mergers**  
**Proposed increase in share capital**  
**Proposed change of the Company's name to ORA Capital Plc**  
**and**  
**Notice of General Meeting**

**To Shareholders and all persons with information rights**

#### **1. Introduction**

The Company is seeking Shareholder approval in order for it to acquire ORA Limited and to obtain an authority to enable the buyback by the Company by way of a Tender Offer of up to 152,671,756 Shares (representing approximately 33 per cent. of the Company's current issued ordinary share capital).

The purpose of this document is to:

- (a) give you information about the background to and reasons for the Acquisition;
- (b) give you information about the background to and reasons for the Tender Offer;
- (c) give you information about the background to and reasons for the Code Waiver;
- (d) give you information about the other resolutions to be proposed at the General Meeting; and
- (e) convene a general meeting of the Company for the purpose of seeking your approval of i) the increase in the Directors' authority to allot Shares in relation to the Acquisition and the terms of the Acquisition Agreement relating to buybacks of Shares from sellers to satisfy warranty claims in relation to the Acquisition Agreement, ii) the Tender Offer, iii) the Code Waiver iv) the change of name of the Company to ORA Capital Plc, v) the buyback of Shares issued to the sellers of ORA Limited to satisfy warranty claims in relation to the Acquisition Agreement (as a distinct additional resolution from that at i) referred to above), and vi) an increase in the authorised share capital.

Further detail on each of the Proposals is set out in below in this letter.

Your attention is drawn to the recommendation, on page 16, that you vote in favour of the Resolutions.



## 2. The Acquisition

On 15 June 2016, the Company and the shareholders of ORA Limited entered into the Acquisition Agreement pursuant to which the Company has conditionally agreed to acquire the entire issued share capital of ORA from the ORA Shareholders for an aggregate consideration of approximately £6.05 million. The consideration is to be satisfied by the issue and allotment of the Consideration Shares to the ORA Shareholders credited as fully paid up at 1.31 pence per Consideration Share.

ORA Limited is a private company incorporated in Jersey, Channel Islands, and is focused on the development and growth of companies within its investment portfolio. ORA only invests its own funds, ensuring it is able to commit as a strategic investor for a longer time frame than many other investors and help companies realise their objectives. The company takes majority or substantial minority stakes and seeks to deliver capital growth by working with companies to deliver value accretion over the medium to long term.

ORA currently holds 6 portfolio investments, 3 of which are quoted on AIM and 3 of which are private UK companies. ORA's audited net assets at 31 January 2016 amounted to £6.10 million. The proposed consideration represents a discount of approximately 1 per cent. to this net asset value.

By combining Sarossa and ORA Limited, the Acquisition will result in a business of greater scale and greater resources, both financial and management, which the Directors believe will result in enhanced value creation for Shareholders.

The 1.31 pence price per Consideration Share reflects the best estimate of market price based on transactions in the Shares on AIM during the month preceding the Cancellation, which took effect on 1 February 2016. These transactions included the buyback of in excess of 81 million Shares by the Company on AIM (representing approximately 15% of the Shares in issue), all purchased at a price of 1.31 pence each.

In order to issue and allot the Consideration Shares to the ORA Shareholders, the Directors need to be granted authority by the Shareholders and the Resolutions include Resolution 1 to grant the Directors sufficient authority to allot the Consideration Shares.

The members of the Concert Party are also ORA Shareholders, so that the issue of Consideration Shares to them will impact on the Shareholdings of the Concert Party. In addition, the buyback of Shares under the Tender Offer will also impact on the Shareholdings of the Concert Party, all as set out at section 3 of this letter, which will give rise to certain considerations under the City Code which are detailed in section 8 below. Resolution 3 (the "Whitewash Resolution") is being proposed to enable the Company to issue Shares to the Concert Party pursuant to the Acquisition and to buyback Shares under the Tender Offer, without the Concert Party being required to make a mandatory cash offer to the remaining Shareholders.

Completion of the Acquisition is, therefore, conditional upon the passing of Resolution 1 and Resolution 3 at the General Meeting.

The Consideration Shares will, when issued, rank *pari passu* in all respects with the existing Ordinary Shares.

More details about ORA are given in Part II of this document.

In accordance with the terms of the Acquisition Agreement, if ORA Shareholders are required to make a payment to the Company because of a breach of warranty claim, they may elect to sell back Consideration Shares to the Company at the price they were issued and the liability of the Company to pay for such Consideration Shares shall be set off against the amount of the claim resulting in effectively a surrender of Consideration Shares to meet claims. Such a mechanism requires, under the Law, a special resolution of the Shareholders to approve the buyback of Consideration Shares (Resolution 5) and an ordinary resolution to approve the terms of the Acquisition Agreement relating to such a buyback (which is contained within Resolution 1).

### **3. Related Parties**

Michael Bretherton is a director of the Company and is also a director of ORA, holding a 5.00% beneficial interest in ORA. Richard Griffiths holds a 38.35% beneficial interest in the Company and has a beneficial interest of 80.36% in the issued share capital of ORA. James Sutcliffe is Sarossa's Company Secretary and holds no shares in the Company but has a 0.19% beneficial interest in ORA.

### **4. The Tender Offer**

The Directors are aware that following the Cancellation that took effect on 1 February 2016, certain Shareholders may still want the opportunity to realise their shareholdings in the Company. The Directors are, therefore, seeking Shareholder approval to obtain an authority to enable the Company to buy back up to a further 152,671,756 Shares under a Tender Offer at a price of 1.31 pence each (being the price at which shares were bought back in the month prior to 1 February 2016) and thereby provide liquidity for Shareholders looking to realise a further part of their shareholdings in the Company.

The Tender Offer will be made to all shareholders holding the existing 462,008,478 Shares in issue but irrevocable undertakings to not accept the Tender Offer have been received from the Concert Party in respect of their existing 187,787,514 Shares so that the maximum level of acceptances from Shareholders to buyback any Shares under the Tender Offer is 274,220,964 Shares. However, the maximum number of Shares which will be bought back under the Tender Offer will be 152,671,756 Shares having a value (at the Tender Price) of the maximum Tender Offer Amount of £2.00 million and so Shareholders may have their applications scaled back if the Tender Offer is oversubscribed.

The approval of Shareholders is required to authorise the Company to purchase Shares under the Tender Offer as a requirement of the Law and the Resolutions include Resolution 2 for this purpose. Resolution 2 constitutes two resolutions under the Law, being a special resolution to sanction the buyback of Shares pursuant to the Tender Offer and an ordinary resolution approving the terms of the buyback pursuant to the terms of this document. Under the Law, no Shares which are to be purchased by the Company shall carry the right to vote on the resolutions and therefore any Shareholders from whom applications to sell Shares pursuant to the Tender Offer are received by the Company who vote shall be excluded for the purposes of calculating whether such resolutions are duly passed.

The Directors do not, however, consider it appropriate to reduce the Company's balance sheet net assets through a buyback of its Shares under the Tender Offer unless the Company is also able to enlarge its balance sheet net assets by the completion of the Acquisition of ORA. Accordingly, the Tender Offer is also subject to the passing of Resolution 1 in respect of the Acquisition and also the Whitewash Resolution (Resolution 3), both to be proposed at the General Meeting.

Shareholders on the register of members of the Company at the Tender Offer Record Date (other than certain overseas Shareholders in Restricted Territories) may offer to sell up to a maximum of 100% of their holdings of Shares at the Tender Offer Record Date but Shareholders may have their applications scaled back if the Tender Offer is oversubscribed. The Tender Offer is subject to the passing of the various resolutions referred to above.

The passing of those resolutions will constitute acceptance by the Company of the successful tenders subject to any required scaling back if the Tender Offer is oversubscribed.

The basis of any scaling back will be *pro rata*, but to avoid Shareholders who tender all of their Shares being left with very small numbers of Shares following any scaling back of applications, Shareholders who tender all of their Shares where they hold 10,000 Shares or less (having a value of £131 or less at the Tender Price) will not have their applications scaled back. This will apply to any registered Shareholders holding shares as nominee on behalf of multiple beneficial owners, where such shareholding will therefore be considered as multiple separate shareholdings for this purpose. Any *pro rata* scaling back of the remaining applications will be done by comparing the value of the remaining Shares tendered at the Tender Price with the Tender Offer Amount less the unscaled amount (being the value of small Shareholder tenders accepted and bought in full at the Tender Price), rounded down to the nearest number of Shares.

The funds required for the Tender Offer will be financed by the Company from its existing cash resources. Shares will be purchased under the Tender Offer at the Tender Price and will be cancelled and not reissued. The issued shares of the Company will be reduced by the amount of those Shares that are cancelled. It is expected that payments in respect of successful applications received under the Tender Offer will be made by 29 July 2016. The Tender Offer will allow the Company to return up to £2.00 million to Shareholders who now wish to receive cash for their holdings of Shares. Shareholders who do not wish to participate in the Tender Offer or whose applications are scaled back in the Tender Offer (if it is oversubscribed) will continue to hold Shares.

**Further details relating to the Tender Offer, the Tender Form and a guide to the completion of the Tender Form are set out in Part III of this document and in the Action To Be Taken Section 14 below which sets out the process for Shareholders who wish to make an application to sell Shares under the Tender Offer.**

## **5. Waiver of Rule 9 of the City Code on Takeovers and Mergers**

The Code Waiver is being sought in connection with the Acquisition and the Tender Offer.

Richard Griffiths, Michael Bretherton and James Ede-Golightly, who are considered by the Panel to be a Concert Party (as more fully explained below in Section 8), currently have an interest in 187,787,514 Shares, representing approximately 40.64 per cent. of the current issued share capital of the Company. If the Company was to issue further Ordinary Shares to the Concert Party pursuant to the Acquisition as set out in Section 2 above, the Concert Party's interest in the Company would increase to 65.50 per cent. Furthermore, if the Company was able to secure the maximum of acceptances from Shareholders to sell Shares under the Tender Offer, the Concert Party's interest in the Company would, as a result of the reduced number of Ordinary Shares that would be in issue following such buyback and cancellation of Shares, increase to up to 78.47 per cent. of the Company's issued share capital as reduced by the buyback and cancellation of Shares.

As detailed in Section 8 below, this would ordinarily result in the Concert Party being required to make a mandatory cash offer, under the City Code, to remaining Shareholders to acquire their Shares. Resolution 3 (the "Whitewash Resolution") is being proposed to enable the Company to issue further Ordinary Shares to the Concert Party pursuant to the Acquisition and to buy back further Ordinary Shares under the Tender Offer, without the Concert Party being required to make a mandatory cash offer to the remaining Shareholders.

## **6. Proposed Directors**

On completion of the Acquisition it is intended that Richard Griffiths and James Ede-Golightly will become additional directors of the Company. Richard Griffiths as Executive Chairman (with Michael Bretherton moving over to take on the role of Chief Executive) and James Ede-Golightly as a Non-executive Director.

Richard Griffiths is the chairman and founder of ORA Limited. He has had a long career founding, running, investing in and advising growth companies. Previously, Mr Griffiths was founder and executive chairman of the Evolution Group Plc, a diversified financial group, taking it from start up to FTSE 250 membership within 5 years. Mr Griffiths subsequently went on to become founder and chairman of ORA Capital Partners Plc in 2006. Before distributing its assets in late 2013, ORA Capital Partners Plc had made an annual rate of return of 38 per cent. to its shareholders. Mr Griffiths has also been a venture or strategic investor in many successful UK companies including IP Group Plc, Nanoco Group Plc, Tissue Regenix Group Plc, GVC Holdings Plc, Oxford Nanopore Limited and Plectrum Petroleum Plc.

James Ede-Golightly graduated in economics from St John's College, Cambridge. He joined Merrill Lynch Investment Managers where he worked as an analyst covering European credit and equity markets. Mr Ede-Golightly subsequently moved to Commerzbank as an analyst and trader within the Special Situations proprietary trading team, before joining ORA Capital Partners Plc where he served as an executive director until October 2009 before moving to a non-executive role. Mr Ede-Golightly is also a director of ORA Limited, is non-executive chairman of East Balkan Properties Plc, Cronin Group Plc and Quoram Plc and is a non-executive director of Gulfsands Petroleum Plc.

No discussions have taken place concerning the incentivisation of Messrs Griffiths and Ede-Golightly and no changes to their existing arrangements with ORA Limited are proposed.

## **7. Change of name**

The Directors and the Proposed Directors consider it appropriate that following completion of the Acquisition, the Company's name be changed to "ORA Capital Plc". A special resolution to this effect is included in the Resolutions as Resolution 4. Such resolution is conditional on the passing of the other Resolutions (not including Resolution 6).

## **8. The City Code and the Code Waiver**

As indicated above, the terms of the Proposals set out in this letter give rise to certain considerations under the City Code. Brief details of the Panel, the City Code and the protection they afford are given below.

The purpose of the City Code is to supervise and regulate takeovers and other matters to which it applies. The City Code is issued and administered by the Panel. The Company is a company to which the Code applies and as such its Shareholders are therefore entitled to the protections afforded by the City Code.

Under Rule 9 of the City Code, where any person acquires, whether by a single transaction or a series of transactions over a period of time, an interest (as defined in the City Code) in shares which (taken together with shares in which persons acting in concert with him are interested) carry 30 per cent. or more of the voting rights of a company which is subject to the City Code, that person is normally required by the Panel to make a general offer, in cash, to all the remaining shareholders to acquire their shares.

Rule 9 of the City Code further provides that, *inter alia*, where any person who, together with persons acting in concert with him, is interested in shares which in aggregate carry not less than 30 per cent. of the voting rights of a company but does not hold shares carrying more than 50 per cent. of such voting rights and such person, or any such person acting in concert with him, acquires an interest in additional shares which increase his percentage of shares carrying voting rights, such person is normally required by the Panel to make a general offer to the remaining shareholders to acquire their shares.

An offer under Rule 9 must be made in cash and at the highest price paid by the person required to make the offer or any person acting in concert with him for any interest in shares of the company during the 12 months prior to the announcement of the offer.

Under the City Code, a concert party arises when persons who, pursuant to an agreement or understanding (whether formal or informal), co-operate to obtain or consolidate control of that company. Under the City Code, control means an interest, or aggregate interests, in shares carrying 30 per cent. or more of the voting rights of a company, irrespective of whether the interest or interests gives *de facto* control. Richard Griffiths, Michael Bretherton and James Ede-Golightly are considered by the Panel to be acting in concert and therefore a concert party.

Following the Proposals, as a result of the issue of Consideration Shares to members of the Concert Party with shareholdings in ORA and as a result of the reduced number of Shares in issue following the buyback of Shares under the Tender Offer (assuming the Company buys back the maximum number of Shares it is able to buyback under the authority granted pursuant to Resolution 2), the Concert Party's existing interest in the Company, of 187,787,514 Ordinary Shares, would increase to 605,263,632 representing a maximum of 82.21 per cent. of the issued share capital of the Company as reduced by the maximum buyback and cancellation of Shares under the Tender Offer. This will have the effect of increasing the degree to which the Concert Party will be able to exercise influence over all matters requiring Shareholder approval, including election of Directors and the ability to pass special resolutions.

The Panel has been consulted and has agreed to waive the requirement for the Concert Party to make a general offer under Rule 9 of the City Code in cash for Shares in the Company which might otherwise arise as a result of the issue of Consideration Shares and the buyback of Shares by the Company under the Tender Offer, subject to the Whitewash Resolution (as set out in the notice convening the General Meeting) being passed on a poll by the Independent Shareholders. To be passed, the Whitewash Resolution will require a simple majority of the votes cast by the Independent Shareholders. Members of the Concert Party will not vote on the Whitewash Resolution.

Following completion of the Proposals, the Concert Party will between them be interested in shares carrying more than 50 per cent. of the Company's voting share capital and, for as long as they continue to be treated as acting in concert and hold shares carrying more than 50 per cent. of the Company's voting share capital, any further increase in that aggregate interest in shares will no longer be subject to the provisions of Rule 9 of the City Code. The members of the Concert Party will, therefore, be able to increase their aggregate interest in Shares without having to make an offer for the Company, although individual members of the Concert Party will not be able to increase their percentage interests in shares through or between a Rule 9 threshold without Panel consent. They will, however, not be restricted from making an offer for the Company.

## **9. The intentions of the Concert Party**

Sarossa is an investment holding and management company whose principal activity is investment in, and growth and development of, businesses which present opportunities for value creation. The Company is mainly focused on portfolio businesses with product and service platforms targeting major international markets through customers and partners with an international profile.

It is intended that on completion of the proposed Acquisition of ORA, the name of the Company be changed to ORA Capital Plc and that Richard Griffiths and James Ede-Golightly will become additional directors of the Company. As a result, all of the members of the Concert Party will then be directors of the enlarged Company as renamed ORA Capital Plc.

The members of the Concert Party have each confirmed to the Company that they intend to operate the Company's business in the future as they currently do and that they have no intention to make any changes, following any increase in their percentage interests in Shares or voting rights as a result of the issue of Shares to the Concert Party pursuant to the Acquisition or as a result of any buyback of its Shares by the Company pursuant to the Tender Offer, to the Company's current plans regarding:

- the continued employment of its employees and management (including those of ORA as its subsidiary following the Acquisition), including any material change in conditions of employment;
- the strategic plans and investment strategy of the Company and their likely repercussions on employment and the locations of the Company's places of business;
- employer contributions into the Company's pension schemes (which are currently nil), the accrual of benefits for new members and the admission of new members; and
- the deployment of the Company's fixed assets.

It is intended that the Company, as enlarged by the Acquisition, will continue to operate as an investment holding and management company whose principal activity is investment in, and growth and development of, businesses which present opportunities for value creation. The development of its investments may include reorganisations and restructurings where appropriate. It is intended to continue to run the Company on a low cost base with strict management disciplines and investing criteria. The shareholdings of the directors in the enlarged Company will provide the benefit of significant shareholder alignment.

## **10. Risks associated with retaining an interest in the Company following the Proposals**

The Directors draw to the attention of Shareholders the following factors which should be taken into account in assessing whether or not to retain their interests in Shares in the event that the Proposals are approved and become effective:

- there is now no market facility for dealing in Shares following the Cancellation, which took effect on 1 February 2016, and no price is publicly quoted for Shares. As such, interests in Shares are unlikely to be readily capable of sale and, where a buyer is identified, it may be difficult to place a fair value on any such sale;
- following completion of the Proposals, the Concert Party will between them be interested in shares carrying more than 50 per cent. of the Company's voting share capital and, as an unquoted company

which is no longer subject to the AIM Rules, Shareholders will only be able to rely on the protections afforded to minority shareholders under general Jersey law; and

- in seeking to maximise shareholder value the Company's strategy is (and it is intended will to continue to be) highly concentrated around a very small number of business opportunities, potentially within a common theme. At times a substantial minority or majority of the Group's balance sheet may be represented by a holding in a single subsidiary or portfolio investment. As the strategy does not include (and is not expected to include) any diversification to spread risk, the performance of the Company is entirely reliant on the performance of a very small number of subsidiaries or portfolio investments, potentially all of which are exposed to common risk factors.

The above considerations are non-exhaustive and Shareholders should seek their own independent advice when assessing the likely impact of the Proposals on them.

## **11. Taxation**

Shareholders should note that the statements below do not purport to deal with the tax consequences applicable to all categories of Shareholders arising from the Proposals and are only of a general nature.

The proceeds to be received by Jersey resident Shareholders from the proposed buyback of Shares under the Tender Offer are expected to be regarded, for Jersey tax purposes, as income receipts liable to income tax. However, in some circumstances, the Income Tax (Jersey) Law 1961 may specifically exempt this income. This position may vary from investor to investor. This statement is based on Jersey tax laws in effect and on administrative interpretations of these tax laws, as of the date of this Document.

We have not sought UK taxation advice with regard to the proposed Tender Offer. We believe, however, that in the case of UK tax payers, receipts from the proposed buyback of Shares under the Tender Offer are expected to be regarded, for UK tax purposes, as income receipts liable to income tax.

If you are in any doubt about your tax position you should consult an appropriate independent professional adviser to determine the correct tax treatment of the proposed Tender Offer, and if approved, to ensure that it is correctly reported in your tax return.

## **12. Overseas Shareholders**

It is the responsibility of any person into whose possession this document comes to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection with the buyback of Shares pursuant to the Tender Offer, including the obtaining of any governmental, exchange control or other consents which may be required and/or compliance with other necessary formalities which are required to be observed in such jurisdiction.

## **13. The General Meeting**

You will find at the end of this document a notice convening the General Meeting to be held at the Company's registered office, Floor 1 Liberation Station, The Esplanade, St Helier, Jersey JE2 3AS at 11.00 a.m. on 20 July 2016 at which the following resolutions will be proposed (the actual text of the Resolutions is set out in the notice):

### ***Resolution 1***

Resolution 1 is an ordinary resolution to increase the Directors' authority to allot Ordinary Shares, over and above those authorities granted at the Annual General Meeting on 26 November 2016 and which authorities will remain unaltered, to enable the Company to issue the Consideration Shares in connection with the Acquisition. Within Resolution 1 is also an ordinary resolution to approve the contract between the parties to the Acquisition Agreement in relation to the sale of Consideration Shares sold pursuant to Resolution 5.

### ***Resolution 2***

Resolution 2 is a special resolution and gives the Company the authority to make purchases of up to 152,671,756 Shares in the capital of the Company by means of the Tender Offer. It also approves the Tender Offer which forms the contract between Selling Shareholders and the Company.

### ***Resolution 3 (the Whitewash Resolution)***

Resolution 3 is an ordinary resolution and relates to the disapplication of Rule 9 of the City Code following the issue of further Shares to the Concert Party pursuant to the Acquisition and the buyback of Shares under the Tender Offer. The Panel has confirmed that, subject to the Whitewash Resolution being passed by the requisite majority of the Independent Shareholders on a poll, no mandatory bid obligation on the Concert Party under Rule 9 of the City Code would be triggered by virtue of the issue of Consideration Shares in settlement of the Acquisition and the buyback of Shares by the Company under the Tender Offer.

In accordance with the requirements of the City Code, the members of the Concert Party have undertaken not to vote on the Whitewash Resolution in respect of their aggregate holding of 187,787,514 Ordinary Shares.

### ***Resolution 4***

Resolution 4 is a special resolution to change the Company's name to ORA Capital Plc.

### ***Resolution 5***

Resolution 5 is a special resolution to authorise the purchase of Consideration Shares from the parties to the Acquisition Agreement in the event that they wish to effectively surrender their Shares to satisfy claims for breach of warranty under the Acquisition Agreement.

### ***Resolution 6***

Resolution 6 is a special resolution to alter the Company's memorandum of association to increase the authorised share capital from 1 billion Shares to 1.5 billion Shares, it being considered by the Directors that such an increase will (a) provide for the issue of the Consideration Shares as well as the general authority to issue Shares granted to the Directors at the last annual general meeting of the Company; and (b) provide further authorised share capital for future eventualities.

Completion of the Acquisition is conditional upon the passing of Resolution 1, Resolution 3 and Resolution 5 at the General Meeting.

Acceptance by the Company of successful tenders under the Tender Offer is conditional both upon the passing of Resolution 2 and Resolution 3 at the General Meeting, and also to the passing of Resolution 1, as the Directors do not consider it appropriate to reduce the Company's balance sheet net assets through a buyback of its Shares under the Tender Offer unless the Company is also able to enlarge its balance sheet net assets by the completion of the Acquisition of ORA.

Pursuant to article 40 of the Companies (Uncertificated Securities) (Jersey) Order 1999 (as amended), the Company specifies that only those members registered on the Company's register of members at:

- 11.00 a.m. on 18 July 2016; or,
- if the General Meeting is adjourned, at 11.00 a.m. on the day two days (not including non-working days) prior to the adjourned meeting,

shall be entitled to attend and vote at the Meeting.

Voting on the Whitewash Resolution will be by way of a poll and, following the General Meeting, the Company will announce its result on the Company's website under Investor Centre/Annual and General Meetings.

#### **14. Additional information**

Your attention is drawn to the additional information in Parts II to V of this document.

#### **15. Action to be Taken**

##### ***Voting on the General Meeting Resolutions***

You will find enclosed with this document a White Form of Proxy for use at the General Meeting. Please complete, sign and return the Form of Proxy as soon as possible in accordance with the instructions printed thereon. Whether or not you intend to be present at the General Meeting, you are requested to complete the enclosed Form of Proxy and return it to the Company's transfer agent, Neville Registrars (Proxies), Neville House, 18 Laurel Lane, Halesowen, B63 3DA, so as to arrive as soon as possible, and in any event no later than 18 July 2016 being 48 hours (not including non-working days) before the time appointed for the General Meeting. Completion and return of the Form of Proxy will not preclude you from attending the General Meeting and voting in person should you wish to do so.

##### ***Application to sell Shares under the Tender Offer***

Shareholders who wish to make an application to sell Shares under the Tender Offer in respect of some or all of their Shares held in certificated form only (that is, not in CREST) and registered in their name on the Tender Offer Record Date should complete the enclosed yellow Tender Form in accordance with the instructions printed on the form and in **Part III** of this document headed "Terms of the Tender Offer" and return it by post or by hand (during normal business hours only), **together with their share certificate(s)** (at their own risk) for the Shares in respect of which they are making an application under the Tender Offer, as soon as possible and in any event so as to be received by the Company's transfer agent, Neville Registrars, Neville House, 18 Laurel Lane, Halesowen, B63 3DA, no later than 18 July 2016 being 48 hours (not including non-working days) before the time appointed for the General Meeting. You may use the enclosed reply paid envelope for this purpose.

Shareholders who wish to make an application under the Tender Offer in respect of Shares held in CREST should comply with the procedures set out in the sub-paragraph entitled "To accept the Tender Offer in respect of Shares held in uncertificated form" in paragraph 5 of Part 2 of this document ensuring that the TTE instruction settles no later than 18 July 2016 being 48 hours (not including non-working days) before the time appointed for holding the General Meeting.

Shareholders who do not wish to sell their Shares in the Tender Offer should not return the Tender Form or submit a TTE instruction. Tender Forms and TTE instructions, once lodged, may not be withdrawn. Shareholders should note that, if they take no action, they will not receive the Tender Price and will continue to hold their Shares as enlarged by the Acquisition.

A copy of this document will be posted to all Shareholders on the register as at the date of this document, copies are also available to all registered Shareholders and beneficial Shareholders by request to the Company in writing to its registered office Floor 1 Liberation Station, The Esplanade, St Helier, Jersey JE2 3AS or by e-mail request to office@sarossapl.com.

#### **16. Recommendation**

The Independent Directors (which expression excludes Michael Bretherton by reason of his interest in the Concert Party), having been so advised by WH Ireland, consider the Proposals to be fair and reasonable and in the best interests of the Company and the Shareholders as a whole and therefore recommend that you vote in favour of all of the Resolutions. In providing advice to the Independent Directors, WH Ireland has taken into account their commercial assessment.

Yours sincerely,

**Ross Hollyman**

*On behalf of the Independent Directors*



## **PART II**

### **FURTHER INFORMATION ON ORA LIMITED**

#### **1. History of ORA**

ORA is a private company, registered in Jersey, and is principally focused on the development and growth of companies within its investment portfolio. Richard Griffiths is founder and chairman of ORA and is also a controlling party shareholder with a beneficial interest of 80.36% in the issued share capital of ORA.

ORA was incorporated on 4 February 2014 at a time when another company called ORA Capital Partners Limited (“ORA Capital Partners”), of which Mr Griffiths was also founder and chairman, was in the process of rundown, closure and of concluding its affairs, following a return of all its net asset to shareholders, mainly by way of distributions in specie of its investments as well as a small cash distribution and a share redemption for cash.

ORA Capital Partners achieved a compound annual growth rate in NAV per share of 38.0 per cent. over the six and a half years to 31 July 2013 from around when the company became fully capitalised, with an aggregate NAV of £127.3 million at 31 July 2013. The successful growth in ORA Capital Partners’ NAV reflected the company’s historic business model of investing in young portfolio businesses with the potential to deliver significant value accretion over the medium to long term. ORA Capital Partners pursued this business model for approximately 7 years. However, given a lack of liquidity in the shares of many of ORA Capital Partners portfolio company investments, coupled with the relatively large size of the stakes held, ORA Capital Partners was not in a position to readily realise these investments for cash in order to continue the process of investing in new young portfolio businesses. The company’s board, therefore, concluded that it would be beneficial for shareholders as a whole if the company were to distribute its portfolio investment assets and remaining cash to those shareholders.

It is the intention of the board of ORA to follow a similar investment strategy to that of ORA Capital Partners and with the objective of achieving significant value accretion over the medium to long term.

#### **2. Business Model**

ORA is a holding and investment management company whose principal activity is the development and growth of trading companies within its business portfolio, the current focus of which is on high growth technology opportunities. ORA takes majority or substantial minority stakes and invests from its own balance sheet, ensuring ORA is able to commit as strategic investors for a longer time frame and generate value realisations for its shareholders. ORA’s portfolio business investments tend to be headquartered in Europe but most also have substantial revenue potential in the wider international markets. ORA seeks to achieve capital growth and develop strategies that deliver significant value accretion over the medium to long term.

#### **3. Financial information on ORA**

The following information is based on the audited financial statements of ORA for the year ended 31 January 2016 and for the comparative period from incorporation on 4 February 2014 to 31 January 2015:

During the year ended 31 January 2016, ORA achieved a gain on portfolio and trading investments of £0.41 million and reported a profit after tax of £0.08 million (comparative period to 31 January 2015; gain on portfolio and trading investments of £0.82 million and a profit after tax of £0.82 million).

At 31 January 2016, ORA had shareholder funds of £6.10 million including cash of £0.53 million (31 January 2015: shareholder funds of £4.02 million including cash of £0.75 million).

#### 4. ORA's Investment Portfolio

An overview of the activities of the portfolio businesses in which ORA has a holding of 10 per cent. or more and the carrying value is in excess of £0.5 million, or for which the carrying value is in excess of £1.0 million, is given below:

**Oxehealth Limited** (Oxehealth) is a UK based private company spin-out from the University of Oxford and Oxford University Hospitals NHS Trust. The company has developed proprietary software for extracting vital sign data from a live video feed output using a standard digital video camera, thereby turning cameras in to low cost health monitors. The clinically validated ability of the technology to remotely read core vital signs data, including heart rate, breathing rate and blood oxygenation, together with the development of further algorithms to read temperature and blood pressure, creates significant opportunities for commercialisation across a number of applications. These include post-operative and extended intensive care health monitoring in hospitals and homes, secure unit vital signs monitoring in detention centres and mental health units, and in vehicle vital signs monitoring for drivers. Oxehealth is currently engaged in commercial prototype trials with a number of prominent organisations which are expected to generate revenue contracts going forward. At 31 January 2016, ORA held, and continues to hold 31.23 per cent. of the issued share capital of Oxehealth.

**Mirriad Advertising Limited** (Mirriad) is a UK based private company launched in 2008 with a mission to revolutionize the rapidly changing advertising and product placement market. The company has developed proprietary technology which creates an innovative approach to targeted advertising in order to counter the "click-through/ad-skip" generation. Mirriad's patented computer vision technology platform utilises native in video advertising to make brand integration within multiple types of media and video content an affordable, scalable and flexible process. Mirriad has established partnership relationships with a number of significant global customers and content owners, all with broad user bases, and is well positioned to hold a key share of this new high growth advertising market. At 31 January 2016, ORA held, and continues to hold, 8.88 per cent. of the issued share capital of Mirriad.

**Cronin Group Plc** (Cronin) is a UK based, AIM listed spin-out company from Glasgow University, created to commercialise a platform technology with the potential to research and develop innovative, proprietary chemistry. This comprises a technology to implement a digital code for the discovery and manufacturing of molecules thereby digitizing chemistry and is enabled through the application of 3D printing and related technologies for proprietary chemistry. It is intended to be used in the discovery, optimisation and portable manufacture of small molecules and nano materials, with applications that are particularly relevant in the pharmaceutical, formulation and materials science industries, and aims to reduce the cost and feasibility of the discovery and manufacturing process in a range of areas. At 31 January 2016, ORA held, and continues to hold 13.36 per cent. of the issued share capital of Cronin.

**Fibre 7 Limited** (Fibre7) is a privately owned UK company which has commercialised the densification and colouring of managed plantation timber. Fibre7 has developed a product called Lignia™ from plantation timber which has been treated to give it the properties of premium hardwood. Just like premium hardwood, Lignia™ is ideal for many applications including furniture, joinery and solid wood flooring and can be produced to have the appearance of a traditional hardwood but with added performance. This adds immense value to existing plantation timber and unlocks a vast resource of truly sustainable and cost effective premium hardwood. Fibre 7 is in a strong position to capture a significant share of the emerging and growing modified timber market. The company is in the process of expanding its operations and is targeting an IPO listing on AIM during 2016 with a view to implementing a more aggressive growth strategy. At 31 January 2016, ORA held, and continues to hold 30.35 per cent. of the issued share capital of Fibre7.

In addition, ORA has 2 further investments with a carrying value of £0.5 million or less, both of which are AIM listed. The first of these is a company focused on the commercialisation of its biomedical polymer technology, components and medical devices and the second is an investment company focussed on the technology sector.

## PART III

### TERMS OF THE TENDER OFFER

#### **Further details relating to the Tender Offer, the Tender Form and a guide to the completion of the Tender Form**

Shareholders (other than any overseas Shareholders resident in the Restricted Territories) on the register of members of the Company as at 11.00 a.m. on 18 July 2016 are invited to participate in the Tender Offer on the terms and subject to the conditions set out in this document and (for holders of certificated Shares) the Tender Form. The Tender Offer is in respect of Shares held by Shareholders at the Tender Offer Record Date and which the Company will purchase at the Tender Price. The Shares purchased by the Company pursuant to the Tender Offer will be cancelled and not re-issued. Each Shareholder (other than certain overseas Shareholders) shall be entitled under the Tender Offer to sell to the Company some or all of his/her holdings of Shares held at the Tender Offer Record Date, subject to scaling back on the basis set out below. Scaling back will only apply if the aggregate value (at the Tender Price) of all Shares tendered is greater than the Tender Offer Amount.

The following conditions and further terms apply, unless the context otherwise requires, to the Tender Offer.

#### **1. Conditions of the Tender Offer**

The Tender Offer, and the purchase by the Company of up to 152,671,756 Shares pursuant to it, is conditional upon the approval of each of Resolution 1, Resolution 2 and Resolution 3 to be proposed at the General Meeting and subject to any scaling back if the Tender Offer is oversubscribed.

The passing of these three resolutions proposed at the General Meeting will constitute acceptance by the Company of the successful tenders. The Company reserves the right not to proceed with the Tender Offer and to set aside any contract created for the purchase of Shares pursuant to the Tender Offer if the Directors conclude that the implementation of the Tender Offer is no longer in the best interests of the Company and/or its Shareholders as a whole. In these circumstances the Tender Offer will lapse. If the Tender Offer does not become unconditional or otherwise lapses, certificates and other documents of title will be returned by post not later than 14 business days after the date of such lapse. In the case of Shares held in uncertificated form, the Receiving Agent will provide instructions to Euroclear to transfer all such Shares held in escrow balances by TTE Instruction to the original available balances to which those Shares relate.

#### **2. Shares Tendered**

Each Selling Shareholder by whom, or on whose behalf, a Tender Form is executed or a TTE Instruction settles, irrevocably undertakes, represents, warrants and agrees to and with the Company (so as to bind him/her, his/her personal representatives, heirs, successors and assigns) that:

- the execution of the Tender Form or the settling of a TTE Instruction shall constitute an offer to sell to the Company those Shares tendered pursuant to that Form or Instruction, on and subject to the terms and conditions set out or referred to in this document, including (for holders of certificated Shares) the Tender Form, and, once lodged, shall be irrevocable;
- the Shares to be offered for sale pursuant to the Tender Offer will, if such offers are accepted by the Company, be sold free from all liens, equities, charges and encumbrances and, save as otherwise provided by the terms of the Tender Offer, together with all rights attaching to those Shares;
- he/she shall do all such acts and things as shall be necessary or expedient and execute any other additional documents deemed by the Company to be desirable, in each case to complete the purchase of the Shares and/or to perfect any of the authorities expressed to be given under these terms and conditions for the purpose of, or in connection with, the Tender Offer and to sell such Shares to the Company;

- he/she shall ratify and confirm each and every act or thing which may be done or effected by the Company or any of its Directors, officers or any person nominated by the Company in the proper exercise of his or her respective powers and/or authorities hereunder (including any attorney);
- the execution of the Tender Form constitutes a warranty by such Selling Shareholder that the information given by or on behalf of the Selling Shareholder in the Tender Form will be true in all respects at the time the Company purchases the Shares as if it had been given afresh at such time and shall not be extinguished by such purchase;
- the provisions of the Tender Form shall be deemed to be incorporated into the terms and conditions of the Tender Offer;
- he/she has not received from, or sent copies or originals of the Tender Form or any related documents to, any Restricted Territory and has not otherwise utilised in connection with the Tender Offer, directly or indirectly, the mails or any means or instrumentality (including, without limitation, facsimile, transmission, telex and telephone) of interstate or foreign commerce, or of any facility of a national securities exchange, of any Restricted Territory, that the Tender Form has not been mailed or otherwise sent in, into or from any Restricted Territory and that such Selling Shareholder is not accepting the Tender Offer from any Restricted Territory;
- (for holders of uncertificated Shares), the input of the TTE Instruction will, subject to the Tender Offer becoming unconditional, in respect of the Shares constitute the irrevocable appointment of the Receiving Agent as the escrow agent and any Director as an agent as may be necessary or expedient for the purposes of, or in connection with, the Tender Offer (each an agent) and an irrevocable instruction and authority to the agent (i) subject to the Tender Offer becoming unconditional, to transfer to itself by means of CREST and then to transfer to the Company (or to such person or persons as the Company may direct) by means of CREST all of the Relevant Shares (as defined below) in respect of which the Tender Offer is accepted (but not exceeding the number of Shares which have been tendered pursuant to the Tender Offer); and (ii) if the Tender Offer does not become unconditional or lapses or is terminated, or there are Shares which have not been successfully tendered under the Tender Offer, or which cannot be bought back under the terms of the Tender Offer, to give instructions to Euroclear, as promptly as practicable after the relevant event, to transfer the Relevant Shares to the original available balances from which those Shares came. For the purposes of this sub-paragraph, "Relevant Shares" means Shares in uncertificated form and in respect of which a transfer or transfers to escrow has or have been effected pursuant to the procedures described in this Part III;
- the despatch of a cheque in respect of the Tender Price to such Selling Shareholder at his/her registered address or such other address as is specified in the Tender Form, or the creation of a CREST payment in favour of such Selling Shareholder's payment bank in accordance with the CREST payment arrangements will, to the extent of the obligations so created, constitute a complete discharge by the Company of its obligations to make such payment to such Selling Shareholder;
- the execution of the Tender Form or the input of the TTE Instruction constitutes such Selling Shareholder's submission to the exclusive jurisdiction of the courts of Jersey in relation to all matters arising out of or in connection with the Tender Offer and/or the Tender Form; and
- if he/she is an overseas Shareholder, (a) he/she is not resident or located in any Restricted Territory or in any territory in which it is unlawful to make or accept the Tender Offer or to use the Tender Form in any manner in which the person has used or will use it, (b) he/she has fully observed any applicable legal and regulatory requirements of the territory in which such overseas Shareholder is resident or located, and (c) the invitation under the Tender Offer may be made to such overseas Shareholder under the laws of the relevant jurisdiction.

Any existing rights of Shareholders will be unaffected. The Shares purchased by the Company pursuant to the Tender Offer will be cancelled and not re-issued.

### **3. Tender Price**

The price at which each Share will be acquired pursuant to the Tender Offer will be 1.31 pence. The aggregate amount due to each Shareholder under the Tender Offer will be rounded down to the nearest penny.

### **4. Tender Entitlement**

The Tender Offer will be made to all Shareholders with an interest in the existing 462,008,478 Shares in issue but irrevocable undertakings to not accept the Tender Offer have been received from the Concert Party in respect of their existing 187,787,514 Shares so that the maximum level of acceptances from Shareholders to buyback any Shares under the Tender Offer is 274,220,964 Shares. However, the maximum number of Shares which will be bought back under the Tender Offer will be 152,671,756 Shares having a value (at the Tender Price) of the maximum Tender Offer Amount of £2.00 million and so Shareholders may have their applications scaled back if the Tender Offer is oversubscribed. Shareholders may offer to sell up to a maximum of 100% of their holdings of Shares at the Tender Offer Record Date.

The basis of any scaling back will be *pro rata*, but to avoid Shareholders who tender all of their Shares being left with very small numbers of Shares following any scaling back of applications, small Shareholders who tender all of their Shares where they hold 10,000 Shares or less (having a value of £131 or less at the Tender Price), will not have their applications scaled back. This will apply to any registered Shareholders holding shares as nominee on behalf of multiple beneficial owners, where such shareholding will therefore be considered as multiple separate shareholdings for this purpose. Any *pro rata* scaling back of the remaining applications will be done by comparing the value of the remaining Shares tendered at the Tender Price with the Tender Offer Amount less the unscaled amount (being the value of small Shareholder tenders accepted and bought in full at the Tender Price), rounded down to the nearest number of Shares.

Any Shareholder who tenders Shares under the Tender Offer which, due to scaling back, are not bought back by the Company will have those remaining Shares returned to them. If the Tender Offer is not oversubscribed, Shareholders who apply to tender Shares will have their applications satisfied in full. Shareholders may not apply to sell more Shares in the Tender Offer than are registered in their names at the Tender Offer Record Date. Applications for more than that number of shares will be treated as if they were applications to sell the whole of their holdings of Shares at the Tender Offer Record Date.

### **5. Acceptance of the Tender Offer**

The Tender Offer will close at 11.00 a.m. on 18 July 2016 and Tender Forms and TTE Instructions will not be capable of acceptance after that time and date.

#### ***To accept the Tender Offer in respect of Shares held in certificated form***

Selling Shareholders who hold their Shares in certificated form should complete the yellow Tender Form in accordance with the instructions on the form and return the completed yellow Tender Form in the enclosed reply paid envelope together with their share certificate(s) in respect of the Shares which they are tendering.

#### ***To accept the Tender Offer in respect of Shares held in uncertificated form***

Shareholders who hold Shares in uncertificated form (that is CREST) should not complete a Tender Form but should arrange for the number of Shares they wish to tender to be transferred through a TTE Instruction in accordance with the provisions relating to CREST set out below, so as to settle by no later than 11.00 a.m. on 18 July 2016.

Where a purchase pursuant to the Tender Offer relates to Shares held by Selling Shareholders in uncertificated form, the Shareholder should take (or procure to be taken) the action set out below to transfer (by means of a TTE Instruction) the number of Shares which they wish to tender under the Tender Offer to an escrow balance, specifying Neville Registrars (in its capacity as Receiving Agent under the relevant participant ID referred to below) as the escrow agent, as soon as possible and in any event so that the transfer to escrow settles by no later than 11.00 a.m. on 18 July 2016.

A TTE Instruction to Euroclear must be properly authenticated in accordance with Euroclear's specifications for transfers to escrow and must contain, in addition to the other information that is required for a TTE Instruction to settle in CREST, the following details:

- the number of Shares to be transferred to an escrow balance;
- the Selling Shareholder's Member Account ID;
- the Selling Shareholder's Participant ID;
- the Participant ID of the escrow agent, in its capacity as a Receiving Agent – this is 7RA11;
- the Member Account ID of the escrow agent for the Tender Offer – this is SAROSSA;
- the Corporate Action Number – this is allocated by Euroclear and can be found by viewing the relevant corporate action details in CREST;
- the intended settlement date for the transfer to escrow – this should be as soon as possible and, in any event, by no later than on 18 July 2016;
- the ISIN number for the Shares – this is JE00BKWBZV64;
- input with a standard TTE Instruction of priority 80; and
- a contact name and telephone number to be inserted in the shared note field.

If a Shareholder is a "CREST Sponsored Member", he/she should refer to his/her "CREST Sponsor" before taking any action. A Shareholder's CREST Sponsor will be able to confirm details of such Shareholder's participant ID and the member account ID under which such Shares are held. In addition, only a Shareholder's CREST Sponsor will be able to send the TTE Instruction to CREST in relation to the Shares which they wish to tender. Shareholders who hold their Shares in uncertificated form should send (or, if they are CREST Sponsored Members, procure that their CREST Sponsor sends) a TTE Instruction to CREST which must be properly authenticated in accordance with CREST's specifications. After settlement of the TTE Instruction, Shareholders will not be able to access the Shares concerned in CREST for any transaction or for charging purposes, notwithstanding that they will be held by the escrow agent until completion or lapsing of the Tender Offer. If the Tender Offer becomes unconditional, the Receiving Agent will transfer the Shares which are accepted for purchase to itself as escrow agent for onward sale to the Company.

### ***General***

If you have any questions relating to the completion and return of the Tender Form, please telephone Neville Registrars on 0121 585 1131, or if calling from outside the UK on +44 121 585 1131. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the UK will be charged at the applicable international rate. Neville Registrars are open between 9.00 a.m. and 5.00 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Neville Registrars cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes. All questions as to the number of Shares, and the validity, form, eligibility (including the time of receipt) and acceptance for payment of any tender of Shares will be determined by the Company in its sole discretion, which determination shall be final and binding on all of the parties (except as otherwise required under any applicable law or regulation). The Company reserves the absolute right to reject any or all tenders it determines not to be in proper form. The Company also reserves the absolute right to waive any of the terms or conditions of the Tender Offer and any defect or irregularity in the application of any particular Shares or any particular holder of them. Otherwise, no tender for the sale of Shares will be deemed to be validly made until any defects or irregularities have been cured or waived. In the event of a waiver, the consideration under the Tender Offer will not be despatched until after the Tender Form is complete in all respects and the share certificates have been received or the relevant TTE Instruction has settled. None of the Company or the Receiving Agent or any other person is or will be obliged to give notice of any defects or irregularities in tenders and none of them will incur any liability for failure to give any such notice. It is expected that the results of the Tender Offer will be announced on the Company's website on 29 July 2016.

## **6. Settlement**

Subject to the Tender Offer becoming unconditional in all respects, settlement will take place as follows:

### ***Shares in certificated form***

Where a purchase pursuant to the Tender Offer relates to Shares held by Selling Shareholders in certificated form, consideration will be paid by sterling cheque. Cheques for the consideration due to Shareholders will be despatched by first class post on or before 29 July 2016 at the risk of the person(s) entitled thereto. All cheques will be drawn on a branch of a UK clearing bank.

### ***Shares in uncertificated form (that is, in CREST)***

Where an accepted tender relates to Shares held in uncertificated form, settlement of the consideration due will be paid on or before 29 July 2016 by means of CREST by the Receiving Agent procuring the creation of a CREST payment in favour of the tendering Shareholder's payment bank in accordance with the CREST payment arrangements.

## **7. Overseas Shareholders**

The making of the Tender Offer in or to persons who are citizens of, or resident in, overseas jurisdictions or to custodians, nominees or trustees for citizens, nationals or residents of overseas jurisdictions may be prohibited or affected by the laws of the relevant overseas jurisdictions. Shareholders who are overseas Shareholders should inform themselves about and observe any applicable legal requirements. It is the responsibility of any such Shareholder wishing to participate in the Tender Offer to satisfy himself or herself as to the full observance of the laws of the relevant jurisdiction in connection with the Tender Offer, including the obtaining of any governmental, exchange control or other consents which may be required, the compliance with other necessary formalities and the payment of any transfer or other taxes or other requisite payments due in such jurisdiction. Any such Shareholder will be responsible for payment of any such transfer or other taxes or other requisite payments due to whomsoever payable and the Company and any person acting on its behalf shall be fully indemnified and held harmless by such Shareholder for any such transfer or other taxes or other requisite payments that such person may be required to pay. No steps have been taken to qualify the Tender Offer or to authorise the extending of the Tender Offer or the distribution of the Tender Form in any territory outside the UK and Jersey. In particular, the Tender Offer is not being made, directly or indirectly, in or into, the Restricted Territories and the Tender Offer cannot be accepted within the Restricted Territories. Accordingly, the Tender Form and any related documents are not being and must not be mailed or otherwise distributed or sent in or into the Restricted Territories, including to Shareholders with registered addresses in the Restricted Territories or to persons in the Restricted Territories. Receipt of this document and/or the Tender Form will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and in those circumstances, this document and/ or the Tender Form will be deemed to have been sent for information only and should not be copied or redistributed. All Selling Shareholders must provide addresses outside the Restricted Territories for the return of documents lodged pursuant to the Tender Offer. The Selling Shareholders must be able to give the representations and warranties contained in section 2 of this Part III.

## **8. Additional Provisions**

Any omission to despatch this document or the Tender Form or any notice required to be despatched under the terms of the Tender Offer to, or any failure to receive them by, any person entitled to participate in the Tender Offer shall not invalidate the Tender Offer in any way or create any implication that the Tender Offer has not been made to any such person. No acknowledgement of receipt of any Tender Form(s), share certificate(s) and/or document(s) of title will be given. All communications, notices, certificates, documents of title and remittances to be delivered by or sent to or from Selling Shareholders (or their designated agents) will be delivered by or sent to or from Selling Shareholders (or their designated agents) at their own risk.

**9. Modifications**

The terms of the Tender Offer shall have effect subject to such non-material modifications as the Company may from time to time approve in writing. The times and dates referred to in this document may be amended in writing by the Company.

**10. Governing Law**

The Tender Offer shall, in all respects, be governed by and construed in accordance with the laws of Jersey.



## PART IV

### FINANCIAL INFORMATION ON THE COMPANY

The following information is incorporated into this document by reference pursuant to Rule 24.15 of the City Code and is available free of charge at the Company's website at [www.sarossapl.com](http://www.sarossapl.com). A Shareholder may request a copy of such information in hard copy form (hard copies will not be provided unless requested). Hard copies may be requested by writing to the Company Secretary, James Sutcliffe, Floor 1 Liberation Station, The Esplanade, St Helier, Jersey JE2 3AS or by e-mailing: [office@sarossapl.com](mailto:office@sarossapl.com).

The Sarossa Group's unaudited results for the six months ended 31 December 2015 and audited results for the two years ended 30 June 2015 and 30 June 2014 are available free of charge on the Company's website at <http://www.sarossapl.com/content/investors/reports.asp>

#### *Information*

#### *Source of information*

Turnover, net profit or loss before and after taxation, the charge for tax, extraordinary items, the amount absorbed by dividends and earnings and dividends per share for the Sarossa Group for the six months ended 31 December 2015 and for the years ended 30 June 2015 and 30 June 2014

Sarossa Plc Interim Report to 31 December 2015; page 4  
Sarossa Plc Annual Report 2015; page 12  
Sarossa Plc Annual Report 2014; page 13

A statement of the assets and liabilities shown in the accounts for the Sarossa Group as at 31 December 2015, 30 June 2015 and 30 June 2014

Sarossa Plc Interim Report to 31 December 2015; page 6  
Sarossa Plc Annual Report 2015; page 13  
Sarossa Plc Annual Report 2014; page 14

A cash flow statement as provided in the accounts for the Sarossa Group for the six months ended 31 December 2015 and for the years ended 30 June 2015 and 30 June 2014

Sarossa Plc Interim Report to 31 December 2015; page 7  
Sarossa Plc Annual Report 2015; page 14  
Sarossa Plc Annual Report 2014; page 15

Significant accounting policies together with any points from the notes to the accounts which are of major relevance to an appreciation of the figures

Sarossa Plc Interim Report to 31 December 2015; page 8  
Sarossa Plc Annual Report 2015; page 15  
Sarossa Plc Annual Report 2014; page 16

## **PART V**

### **ADDITIONAL INFORMATION**

#### **1. RESPONSIBILITY**

The Directors, whose names are set out on page 4 of this document, accept responsibility for the information contained in this document save for that which relates to the individual members of the Concert Party. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

Richard Griffiths accepts responsibility for the information contained in this document relating to himself. To the best of the knowledge and belief of Mr Griffiths, who has taken all reasonable care to ensure that such is the case, the information contained in this document for which he is responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

Michael Bretherton accepts responsibility for the information contained in this document relating to himself. To the best of the knowledge and belief of Mr Bretherton, who has taken all reasonable care to ensure that such is the case, the information contained in this document for which he is responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

James Ede-Golightly accepts responsibility for the information contained in this document relating to himself. To the best of the knowledge and belief of Mr Ede-Golightly, who has taken all reasonable care to ensure that such is the case, the information contained in this document for which he is responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

#### **2. INFORMATION ON RICHARD GRIFFITHS, MICHAEL BRETHERTON AND JAMES EDE-GOLIGHTLY**

Richard Griffiths is the largest shareholder of the Company and is the chairman and founder of ORA Limited. He has had a long career founding, running, investing in and advising growth companies. Previously, Mr Griffiths was founder and executive chairman of the Evolution Group Plc, a diversified financial group, taking it from start up to FTSE 250 membership within 5 years. Mr Griffiths subsequently went on to become founder and chairman of ORA Capital Partners Plc in 2006. Before distributing the company's assets in late 2013, ORA Capital Partners Plc had made an annual rate of return of 38 per cent. to its shareholders. He has also been a venture or strategic investor in many successful UK companies including IP Group Plc, Nanoco Group Plc, Tissue Regenix Group Plc, GVC Holdings Plc, Oxford Nanopore Limited and Plectrum Petroleum Plc. Details of Mr Griffiths' interests in the Company are set out below in paragraph 3b(i). Richard Griffiths has a 28.78% equity stake in Cronin Group Plc (formerly Oxford Advanced Surfaces), of which James Ede-Golightly and Michael Bretherton are directors and for whom WH Ireland acts as AIM Nomad and broker. Richard Griffiths holds a 24.67% equity stake in Quoram Plc, of which James Ede-Golightly is a director.

Michael Bretherton was appointed as a non-executive director of the Company in March 2011 and subsequently took on the role of finance director on admission to AIM in January 2012, before being appointed chairman on 25 October 2012. He is also non-executive chairman of Adams Plc and is a non-executive director of Cronin Group Plc. In addition, he is a director of ORA. In addition, Mr Bretherton has been a director of six other AIM quoted companies during the last five years, including Nanoco Group Plc, Ceres Power Holdings Plc, Tissue Regenix Group Plc and Oxford Pharmascience Group Plc. He has a degree in Economics from Leeds University and is a member of the Institute of Chartered Accountants in England and Wales. His early career included working as an accountant and manager with PriceWaterhouse for 7 years in London and the Middle East, followed by finance roles at the Plessey Company Plc, Bridgend Group Plc, Mapeley Limited and Lionhead Studios Limited. Details of Mr Bretherton's interests in the Company are set out below in paragraph 3b(i).

James Ede-Golightly graduated in economics from St John's College, Cambridge. He joined Merrill Lynch Investment Managers where he worked as an analyst covering European Credit and equity markets. Mr Ede-Golightly subsequently moved to Commerzbank as an analyst and trader within the Special Situations proprietary trading team, before joining ORA Capital Partners Plc where he served as an executive director until October 2009 before moving to a non-executive role. Mr Ede-Golightly is also a director of ORA and is non-executive chairman of East Balkan Properties Plc, Cronin Group Plc and Quoram Plc and is a non-executive director of Gulfsands Petroleum Plc. Details of Mr Ede-Golightly's interests in the Company are set out below in paragraph 3b(i).

### **3. INTERESTS AND DEALINGS**

#### **(a) *Definitions and interpretation***

For the purposes of this paragraph 3:

- (i) "arrangement" includes any indemnity or option arrangements and any agreement or understanding, formal or informal, of whatever nature, relating to the relevant securities of the Company which may be an inducement to deal or refrain from dealing;
- (ii) a "connected adviser" means, in relation to any person, the organisation which is advising the person in relation to the Proposals and, if that person is the Company or a member of the Concert Party, the corporate broker to that person (other than any corporate broker which is unable to act in connection with the offer because of a conflict of interest);
- (iii) "dealing" or "dealt" includes the following:
  - A. the acquisition or disposal of securities, of the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to securities, or of general control of securities;
  - B. the taking, granting, acquisition, disposal, entering into, closing out, termination, exercise (by either party) or variation of an option (including a traded option contract) in respect of any relevant securities;
  - C. subscribing or agreeing to subscribe for relevant securities;
  - D. the exercise or conversion, whether in respect of new or existing relevant securities, of any relevant securities carrying conversion or subscription rights;
  - E. the acquisition of, disposal of, entering into, closing out, exercise (by either party) of any rights under, or variation of, a derivative referenced, directly or indirectly, to relevant securities;
  - F. entering into, terminating or varying the terms of any agreement to purchase or sell relevant securities; and
  - G. any other action resulting, or which may result, in an increase or decrease in the number of relevant securities in which a person is interested or in respect of which he has a short position;
- (iv) "derivative" includes any financial product whose value, in whole or in part, is determined directly or indirectly by reference to the price of an underlying security;
- (v) "Disclosure Period" means the period commencing on 21 June 2015 and ending on 20 June 2016 (being the latest practicable date prior to the publication of this document);
- (vi) "relevant securities of the Company" means the Shares and securities convertible into, or rights to subscribe for, options (including traded options) in respect thereof and derivatives referenced thereto;

- (vii) ownership or control of 20 per cent. or more of the equity share capital is regarded as the test of associated company status and “control” means a holding, or aggregate holdings, of shares carrying 30 per cent. or more of the voting rights attributable to the share capital of a company which are currently exercisable at a general meeting, irrespective of whether the holding or aggregate holding gives *de facto* control;
- (viii) a person is treated as “interested” in securities if he has long economic exposure, whether absolute or conditional, to changes in the price of those securities (and a person who only has a short position in securities is not treated as interested in those securities). In particular, a person is treated as “interested” in securities if:
- A. he owns them;
  - B. he has the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to them or has general control of them;
  - C. by virtue of any agreement to purchase, option or derivative, he:
    - (a) has the right or option to acquire them or call for their delivery; or
    - (b) is under an obligation to take delivery of them, whether the right, option or obligation is conditional or absolute and whether it is in the money or otherwise; or
  - D. he is a party to any derivative:
    - (a) whose value is determined by reference to their price; and
    - (b) which results, or may result, in his having a long position in them.

(b) ***Interests and dealings in the Ordinary Shares***

- (i) As at the close of business on 16 June 2016 (being the latest practicable date prior to the publication of this document), the interests of the Directors, the members of the Concert Party, all persons considered to be in concert with the Directors and the members of the Concert Party and their immediate families and connected persons, all of which are beneficial unless otherwise stated, in the share capital of the Company (as shown in the register required to be kept under the provisions of article 41 of the Law or which have been notified to the Company pursuant to the articles of association of the Company) were as follows:

<i>Name</i>	<i>At present</i>		<i>Following the Proposals</i>	
	<i>Number of Ordinary Shares</i>	<i>Percentage of issued share capital</i>	<i>Number of Ordinary Shares</i>	<i>Percentage of issued share capital**</i>
Michael Bretherton	9,744,140	2.11%	32,844,500	4.26%
Richard Griffiths and controlled undertakings*	177,199,249	38.35%	548,474,647	71.11%
James Ede-Golightly	844,125	0.18%	23,944,485	3.10%
Other directors	—	—	—	—

\* constituted of 177,199,249 Ordinary Shares held by Blake Holdings Limited, a controlled undertaking of Richard Griffiths.

\*\* assuming the Company completes the Acquisition and issues the Consideration Shares under the authority granted pursuant to Resolution 1 and assuming the Company buys back the maximum number of Ordinary Shares it is able to buy back under the Tender Offer authority granted pursuant to Resolution 2 and with no Ordinary Shares bought back from the Concert Party, who have given irrevocable undertakings to not accept the Tender Offer.

- (ii) During the Disclosure Period, there were no dealings in the Ordinary Shares by the Directors, the members of the Concert Party, all persons considered to be in concert with the Directors and the members of the Concert Party and their immediate families and connected persons.
- (iii) During the Disclosure Period, the Company completed the buyback of the following Ordinary Shares:

<i>Date</i>	<i>Ordinary Shares purchased</i>	<i>Price paid (p)</i>
23 July 2015	2,826,470	1.72
7 January 2016	34,925,000	1.31
8 January 2016	44,402,831	1.31
11 January 2016	750,000	1.31
28 January 2016	2,000,000	1.31

- (iv) WH Ireland and/or persons controlling, controlled by or under the same control as WH Ireland owned or controlled no Shares as at the close of business on 16 June 2016 (being the latest practicable date prior to the publication of this document), and did not deal in Shares during the Disclosure Period.

(c) **General**

- (i) As at the last day of the Disclosure Period, save as disclosed in this paragraph 3, neither the Directors, the members of the Concert Party, nor any member of their immediate families, related trusts or (so far as the Directors are aware) connected persons, nor any persons acting in concert with the members of the Concert Party, nor any person with whom the Directors or any person acting in concert with the Directors, nor any persons acting in concert with the Company, has an arrangement, had an interest or right to subscribe for any relevant securities of the Company (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery, nor had any of the foregoing dealt in any relevant securities of the Company during the Disclosure Period.
- (ii) As at the last day of the Disclosure Period, neither the Company, nor any member of the Concert Party, nor any person acting in concert with them has borrowed or lent any relevant securities of the Company.
- (iii) As at the last day of the Disclosure Period there were no agreements, arrangements or understandings (including any compensation arrangement) between the Concert Party and any of the directors, recent directors, shareholders or recent shareholders of the Company or any person interested or recently interested in the Shares having any connection with or dependence upon the Proposals.
- (iv) Save as disclosed in this paragraph 3, no Shares acquired under the proposed transactions contemplated in the Proposals will be transferred to any other persons.

**4. DIRECTORS' SERVICE AGREEMENTS WITH THE COMPANY**

- (a) Set out below are details of the service agreements or letters of appointment of each of the Directors:
  - (i) On 28 November 2014 Mr Bretherton entered into a service agreement following the grant of a business licence to Sarossa by the States of Jersey which enabled him to be employed as full time Executive Chairman of the Company with effect from 7 November 2014. The service agreement is terminable on not less than six months' written notice given by either party. The service agreement contains provisions for early termination, *inter alia*, in the event of a breach by the Director. The basic annual salary payable to Mr Bretherton is £125,000 per annum. Mr Bretherton is also entitled to participate in any discretionary bonus scheme of the Company in accordance with the rules of such scheme from time to time, but would lose his entitlement if he left the Sarossa Group of his own volition prior to the bonus payment date, was dismissed

for cause or is on notice on the bonus payment date. Mr Bretherton is entitled to participate in any employee share scheme of the Company's from time to time in force in accordance with the rules of such scheme. He is not entitled to receive a contribution to his pension or any other benefits, although he is entitled to private medical cover under a scheme introduced by the Company. Michael Bretherton agrees in the service agreement to comply with Sarossa's conflict policy. The service agreement contains clauses permitting secondment to and extending his directors' duties to other directorships held by him in the Sarossa Group. The service agreement also contains restrictive covenants during his employment and following termination of his employment, and also contains a garden leave clause.

- (ii) On 1 November 2014 Ross Hollyman entered into a Non-Executive Director letter of appointment directly with Sarossa. The Non-Executive Director letter of appointment is dated 28 November 2014 with effect from 1 November 2014 and can be terminated on not less than six months' notice given by either party to the other at any time. The letter of appointment contains provisions for early termination, *inter alia*, in the event of a breach by the Director and also contains restrictive covenants during his appointment. The basic fee payable to Mr Hollyman is £15,000 per annum.
  - (iii) On 19 March 2014 Jonathan Morley-Kirk entered into a Non-Executive Director letter of appointment with Sarossa with effect from 2 May 2014. The letter of appointment can be terminated on not less than six months' notice given by either party to the other at any time and contains provisions for early termination, *inter alia*, in the event of a breach by the Director and also contains restrictive covenants during his appointment. The basic fee payable to Mr Morley-Kirk is £15,000 per annum.
- (b) None of the agreements set out in paragraph (a) above has been entered into or amended during the six months prior to the date of this document.
  - (c) Save as disclosed above, there are no other contracts of service between Directors of the Company and the Company or any of its subsidiaries.

## **5. MATERIAL CONTRACT**

On 15 June 2016, the Company and the shareholders of ORA entered into the Acquisition Agreement pursuant to which the Company has conditionally agreed to acquire the entire issued share capital of ORA from the ORA Shareholders for an aggregate consideration of approximately £6.05 million. The consideration is to be satisfied by the issue and allotment of the Consideration Shares to the ORA Shareholders credited as fully paid up at 1.31 pence per Consideration Share.

Save as disclosed above, no contracts have been entered into by the Company and/or its subsidiaries, not being contracts entered into in the ordinary course of business, which are, or may be material, during the period beginning two years before the announcement of the Proposals.

## **6. FINANCING ARRANGEMENTS**

Any Ordinary Shares acquired pursuant to the Tender Offer will be acquired using the Company's current cash reserves. There are no financing arrangements being put in place pursuant to the Tender Offer whereby the repayment thereof or the security for any liability will depend to any significant extent on the business of the Company.

## **7. MATERIAL CHANGES**

Save as disclosed in this document, there has been no material change in the financial or trading position of the Company since 31 December 2015 (the date to which the latest half yearly financial accounts of the Company were prepared).

## **8. MISCELLANEOUS**

- (a) WH Ireland has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of the references to its name in the form and context in which it appears.
- (b) All references to time in this document are to London time unless the context provides otherwise.

## **9. MARKET QUOTATIONS**

The following table shows the closing middle market quotations of the Shares for the first business day in each of the six months immediately prior to the date of this document where the Shares were trading on AIM, and on 29th January 2016 (being the last day of dealing in the Shares on AIM):

<i>Date</i>	<i>Price</i>
1 January 2016	1.63 pence
29 January 2016	1.52 pence

## **10. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the Company's registered office at Floor 1 Liberation Station, The Esplanade, St Helier, Jersey JE2 3AS or by calling 01534 719761 between 8.30 a.m. and 5.30 p.m. Monday to Friday (except UK public holidays) and at the following website address [http://www.sarossapl.com/content/investors/aim\\_rules.asp](http://www.sarossapl.com/content/investors/aim_rules.asp) from the date of posting of this document up to the date of the General Meeting:

- (a) the memorandum and articles of association of the Company;
- (b) the unaudited results for the six months ended 31 December 2015 and the audited consolidated accounts of the Sarossa Group for the years ended 30 June 2015 and 30 June 2014;
- (c) the material contract referred to in paragraph 6 above;
- (e) the written consent of WH Ireland referred to in paragraph 9 above;
- (f) the current service agreements and letters of appointment referred to in paragraph 5 above;
- (g) the irrevocable undertaking by the Concert Party, who have given irrevocable undertakings to not accept the Tender Offer; and
- (h) this document.

# Sarossa Plc

(Incorporated in Jersey under the Companies (Jersey) Law 1991 (as amended) with registered number 115158)

## NOTICE OF GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that a General Meeting of the above named Company will be held at the Company's registered office at Floor 1 Liberation Station, The Esplanade, St Helier, Jersey JE2 3AS, on 20 July 2016 at 11.00 a.m. for the purpose of passing the following resolutions, of which Resolutions 2, 4, 5 and 6 will be proposed as special resolutions and Resolutions 1 and 3 as ordinary resolutions (of which Resolution 3 will be taken on a poll):

### ***Resolution 1***

THAT the directors of the Company be and are hereby authorised to allot and issue 462,008,478 new ordinary shares in the Company (referred to as "Ordinary Shares" in the memorandum of association of the Company), which authority shall be in addition to and not affect the authority granted to the Directors to allot Ordinary Shares at the annual general meeting of the Company held on 26 November 2015, in connection with the Acquisition (as defined in the circular to shareholders of the Company dated 20 June 2016 (the "Circular")) and that for the purposes of and in satisfaction of article 57(3)(a) of the Companies (Jersey) Law 1991 (as amended) the terms of the Acquisition Agreement (as defined in the Circular) relating to the sale of Ordinary Shares to the Company, which are allotted and issued pursuant to the terms of the Acquisition, to satisfy claims for breach of warranty, which therefore constitutes the contract to purchase such shares, is hereby approved by resolution of the Company. (See Note 10 below)

### ***Resolution 2***

THAT the Company be and is hereby authorised to make purchases of up to 152,671,756 Ordinary Shares in accordance with and subject to the terms of the Tender Offer (the terms of which are set out in the circular to shareholders of the Company dated 20 June 2016) which terms, for the purposes of and in satisfaction of article 57(3)(a) of the Companies (Jersey) Law 1991 (as amended), constitute the contract to purchase such shares which is hereby approved by resolution of the Company. (See Note 11 below)

### ***Resolution 3 (the Whitewash Resolution)***

THAT Rule 9 of the City Code be dis-applied following the issue of new Ordinary Shares to the Concert Party (as defined in the circular to shareholders of the Company dated 20 June 2016) pursuant to the Acquisition and the buyback of Ordinary Shares under the Tender Offer. (See Note 12 below)

### ***Resolution 4***

THAT subject to the Companies (Jersey) Law 1991 (as amended) the Company's name be changed from Sarossa Plc to ORA Capital Plc. (see Note 13 below)

### ***Resolution 5***

THAT the Company be and is hereby authorised to make purchases of up to 462,008,478 Ordinary Shares, which shall have been allotted and issued pursuant to the acquisition of Ora Limited. (See Note 10 below)

### ***Resolution 6***

THAT the memorandum of association of the Company be and is hereby altered, in order to increase the authorised share capital of the Company, by the deletion of paragraph 4. thereof and its substitution by the following: "The share capital of the Company is £15,000,000.00 divided into 1,500,000,000 shares of one class designated as Ordinary Shares with a par value of 1 pence each."

Pursuant to article 40 of the Companies (Uncertificated Securities) (Jersey) Order 1999 (as amended), the Company specifies that only those members registered on the Company's register of members at 11.00 a.m. on 18 July 2016; or, if this meeting is adjourned, at 11.00 a.m. on the day two days (not counting non-working days) prior to the adjourned meeting, shall be entitled to attend and vote at the meeting.



Note that in order to comply with the City Code on Takeovers and Mergers, Resolution 3 will be taken on a poll and the members of the Concert Party have undertaken not to vote on Resolution 3.

*Registered Office*

Floor 1 Liberation Station  
The Esplanade  
St Helier  
Jersey  
JE2 3AS

By Order of the Board  
James Sutcliffe  
Company secretary

Dated: 20 June 2016

**Notes:**

1. A shareholder entitled to attend and vote at the meeting is entitled to appoint one or more persons as proxy to attend, speak and vote at the meeting instead of such shareholder provided that if two or more proxies are appointed, each proxy must be appointed to exercise the rights attaching to different shares. A proxy need not also be a shareholder. The delivery of an appointment of proxy shall not preclude a shareholder from attending and voting at the meeting or at any adjournment thereof.
2. A form of proxy is enclosed. If you do not intend being present at the meeting and in order for the proxy to be valid please sign and return it so as to reach the Company's Registrars, Neville Registrars (Proxies), Neville House, 18 Laurel Lane, Halesowen, B63 3DA, at least 48 hours (not counting non-working days) before the time appointed for holding the meeting (or, as the case may be, any adjournment of such meeting). The return by a member of a duly completed form of proxy will not preclude such member from attending in person and voting at the meeting.
3. In the case of joint holders, the signature of only one of the joint holders is required on the form of proxy, but the vote of the senior (by order in the register of members) who tenders a vote will be accepted to the exclusion of the others.
4. The quorum for the meeting is two shareholders present either in person or by proxy. The majority required for the passing of Resolutions 2, 4, 5, and 6, being special resolutions, is three-quarters of the total number of votes cast on those resolutions and for Resolution 1 and 3, being ordinary resolutions, is a simple majority of the total number of votes cast on those ordinary resolutions. Shareholders are entitled to ask questions in relation to the business of the meeting.
5. At the meeting the votes may be taken on all resolutions save for Resolution 3 by a show of hands or on a poll, at the option of the Chairman. The votes on Resolution 3 will be taken on a poll. On a poll every shareholder who is present, in person or by proxy, shall have one vote for every ordinary share held by him. On a poll votes may be given either personally or by proxy. A shareholder entitled to more than one vote need not use all of his votes or cast all of the votes he uses in the same way.
6. To allow effective constitution of the meeting, if it is apparent to the Chairman that no shareholders will be present in person or by proxy, other than by proxy in the Chairman's favour, then the Chairman may appoint a substitute to act as proxy in his stead for any shareholder, provided that such substitute proxy shall vote on the same basis as the Chairman.
7. CREST members who wish to appoint a Proxy or Proxies through the CREST electronic Proxy appointment service may do so for the Annual General Meeting and any adjournment thereof by using the procedures described in the CREST manual. CREST personal 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 & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST manual. All messages relating to the appointment of a Proxy or an instruction to a previously appointed Proxy must be transmitted so as to be received by Neville Registrars Limited (ID: 7RA11) no later than 11.00 a.m. on 18 July 2016. Normal system timings and limitations will apply in relation to the input of CREST Proxy Instructions. It is therefore the responsibility of the CREST member concerned to take such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable their CREST sponsor(s) 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. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in article 34(1) of the Companies (Uncertificated Securities) (Jersey) Order 1999.
8. Pursuant to article 40 of the Companies (Uncertificated Securities) (Jersey) Order 1999 (as amended), the Company specifies that only those shareholders entered in the Company's register of members 48 hours (not counting non-working days) before the date fixed for the general meeting will be entitled to attend or vote at the meeting and that the number of votes which any such shareholder may cast, upon a poll, will be determined by reference to the number of shares registered in such shareholder's name at the time. Changes to entries on the register of members after the relevant time will be disregarded in determining the rights of any person to attend or vote the meeting.
9. Copies of the directors' service contracts, other than those expiring or determinable without payment of compensation within one year, are available for inspection at the registered office of the Company during the usual business hours on any weekday (Saturday and public holidays excluded) from the date of this notice until the general meeting and will be available for inspection at the place of the general meeting for at least 15 minutes prior to and during the meeting.

10. In accordance with the provisions of article 57(3)(b) of the Companies (Jersey) Law 1991 (as amended), shares held by shareholders who are party to the Acquisition Agreement shall not carry the right to vote on Resolutions 1 or 5. The passing of Resolution 5 is conditional on the passing of Resolutions 1 and 3.
11. In accordance with the provisions of article 57(3)(b) of the Companies (Jersey) Law 1991 (as amended), shares held by shareholders who accept the Tender Offer shall not carry the right to vote on Resolution 2. The passing of Resolution 2 is conditional on the passing of Resolutions 1 and 3.
12. In accordance with the requirements of the City Code on Takeovers and Mergers, the members of the Concert Party must not vote on Resolution 3 (*the Whitewash Resolution*) in respect of their aggregate holding of 187,787,514 Ordinary Shares.
13. The passing of Resolution 4 is conditional on the passing of all of the other resolutions (save for Resolution 6).



