

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this Document or the action you should take, you are recommended to seek your own financial advice immediately from an appropriately authorised stockbroker, bank manager, solicitor, accountant or other independent financial adviser who, if you are taking advice in the United Kingdom, is duly authorised under the Financial Services and Markets Act 2000 (“FSMA”).**

This Document comprises (i) a circular prepared for the purposes of the General Meeting convened pursuant to the notice of General Meeting set out at the end of this Document; and (ii) a prospectus relating to General Industries plc (the “Company”) prepared in accordance with the Prospectus Rules of the Financial Conduct Authority (the “FCA”) made under section 73A of FSMA and approved by the FCA under section 87A of FSMA. This Document has been filed with the FCA and made available to the public in accordance with Rule 3.2 of the Prospectus Rules.

The current entire issued share capital of the Company (the “Existing Ordinary Shares”) is admitted to the Official List of the UK Listing Authority (the “Official List”) (by way of a standard listing under Chapter 14 of the listing rules published by the UK Listing Authority under section 73A of FSMA as amended from time to time (the “Listing Rules”)) and to the London Stock Exchange plc (the “London Stock Exchange”). As the proposed acquisition (the “Acquisition”) of Altair Consultancy and Advisory Services Limited (‘Altair’) is classified as a Reverse Takeover under the Listing Rules, upon completion of the Acquisition the listing on the standard listing segment of the Official List of all Existing Ordinary Shares will be cancelled, and application will be made for the immediate admission of the enlarged share capital of the Company (the “Enlarged Share Capital”) to trading on the London Stock Exchange’s Main Market for listed securities (together, “Admission”). It is expected that Admission will become effective, and that unconditional dealings in the Ordinary Shares will commence, at 8.00 a.m. on 20 August 2015.

**THE WHOLE OF THE TEXT OF THIS DOCUMENT SHOULD BE READ BY THE EXISTING SHAREHOLDERS AND PROSPECTIVE INVESTORS. YOUR ATTENTION IS SPECIFICALLY DRAWN TO THE DISCUSSION OF CERTAIN RISKS AND OTHER FACTORS THAT SHOULD BE CONSIDERED IN CONNECTION WITH AN INVESTMENT IN THE ORDINARY SHARES AS SET OUT IN THE SECTION ENTITLED “RISK FACTORS” BEGINNING ON PAGE 16 OF THIS DOCUMENT.**

The Existing Directors and to the extent different persons, the Directors on Admission whose names appear on page 25 of this Document and the Company accept responsibility, both individually and collectively, for the information contained in this Document. To the best of the knowledge of the Existing Directors and to the extent different persons, the Directors on Admission and the Company (who have taken all reasonable care to ensure that such is the case), the information contained in this Document is in accordance with the facts and there are no other facts the omission of which is likely to affect the import of such information.

Each of the members of the Concert Party, whose names appear on page 107 of this Document, accept responsibility for the information contained in this Document relating to himself or itself. To the best of the knowledge and belief of each member of the Concert Party (who have taken all reasonable care to ensure such is the case) the information contained in this Document for which they are responsible is in accordance with the facts and there are no other facts the omission of which is likely to affect the import of such information.

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## **General Industries plc**

*(Registered in England and Wales No.8988813)*

### **Proposed Acquisition of Altair Consultancy and Advisory Services Limited**

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

#### **Admission of the Enlarged Share Capital to the Official List (by way of Standard Listing under Chapter 14 of the Listing Rules) and to trading on the London Stock Exchange’s Main Market for listed securities**

and

#### **Notice of General Meeting**

### **Financial Adviser**

<p><b>BEAUMONT CORNISH Limited</b></p>
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Beaumont Cornish Limited (“**Beaumont Cornish**”), which is authorised and regulated by the Financial Conduct Authority in the conduct of investment business, is acting exclusively for the Company and for no-one else in connection with the Acquisition and Admission and will not be responsible to anyone other than the Company for providing the protections afforded to customers of Beaumont Cornish or for providing advice in relation to the contents of this Document or any matter referred to in it.

Beaumont Cornish is not making any representation, express or implied, as to the contents of this Document, for which the Company, the Directors and the Proposed Directors are solely responsible. Without limiting the statutory rights of any person to whom this Document is issued, no liability whatsoever is accepted by Beaumont Cornish for the accuracy of any information or opinions contained in this Document or for any omission of information, for which and the Company, the Directors and the Proposed Directors are solely responsible. The information contained in this Document has been prepared solely for the purpose of the Acquisition and Admission and is not intended to be relied upon by any subsequent purchasers of Ordinary Shares (whether on or off exchange) and accordingly no duty of care is accepted in relation to them.

### **Overseas Investors**

This Document does not constitute an offer to sell or an invitation to subscribe for, or the solicitation of an offer or invitation to buy or subscribe for, Ordinary Shares in any jurisdiction where such an offer or solicitation is unlawful or would impose any unfulfilled registration, publication or approval requirements on the Company.

The Ordinary Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or the securities laws of any state or other jurisdiction of the United States or under applicable securities laws of Australia, Canada or Japan. Subject to certain exceptions, the Ordinary Shares may not be offered, sold, resold, transferred or distributed directly or indirectly, within, into or in the United States or to or for the account or benefit of persons in the United States, Australia, Canada, Japan or any other jurisdiction where such offer or sale would violate the relevant securities laws of such jurisdiction. This Document does not constitute an offer to sell or a solicitation of an offer to purchase or subscribe for Ordinary Shares in any jurisdiction in which such offer or solicitation is unlawful or would impose any unfulfilled registration, publication or approval requirements on the Company. The Ordinary Shares may not be taken up, offered, sold, resold, transferred or distributed, directly or indirectly within, into or in the United States except pursuant to an exemption from, or in a transaction that is not subject to, the registration requirements of the Securities Act. There will be no public offer in the United States. The Company has not been and will not be registered under the US Investment Company Act pursuant to the exemption provided by Section 3(c)(7) thereof, and investors will not be entitled to the benefits of that Act.

The distribution of this Document in or into jurisdictions other than the United Kingdom may be restricted by law and therefore persons into whose possessions this Document comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

*None of the Ordinary Shares have been approved or disapproved by the United States Securities and Exchange Commission (the "SEC"), any state securities commission in the United States or any other regulatory authority in the United States, nor have any of the foregoing authorities passed comment upon or endorsed the merit of the offer of the Ordinary Shares or the accuracy or the adequacy of this Document. Any representation to the contrary is a criminal offence in the United States.*

**Application will be made for the Ordinary Shares to be admitted to a Standard Listing on the Official List. A Standard Listing will afford investors in the Company a lower level of regulatory protection than that afforded to investors in companies with Premium Listings on the Official List, which are subject to additional obligations under the Listing Rules.**

**It should be noted that the UK Listing Authority will not have authority to (and will not) monitor the Company's compliance with any of the Listing Rules and/or any provision of the Model Code which the Company has indicated herein that it intends to comply with on a voluntary basis, nor to impose sanctions in respect of any failure by the Company to so comply.**

### **Notice of General Meeting**

Notice of a General Meeting of the Company, to be held at 1.00 p.m. on 19 August 2015 at Tempus Wharf, 29a Bermondsey, Wall West, London, SE16 4SA is set out at the end of this Document. A form of proxy for use by Qualifying Shareholders in connection with the meeting is enclosed. To be valid, forms of proxy, complete in accordance with the instructions printed thereon, must be received by the Company Secretary, **General Industries plc, 56 Station Road, Egham, Surrey, TW20 9LF** as soon as possible but in any event no later than 48 hours prior to the meeting. Completion and return of forms of proxy will not preclude Qualifying Shareholders from attending and voting at the General Meeting should they wish to do so.

This Document is dated 20 July 2015.

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## SUMMARY

Summaries are made up of disclosure requirements known as “Elements”. These elements are numbered in Sections A-E (A.1-E.7).

This summary contains all the Elements required to be included in a summary for this type of securities and Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities and Issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of “not applicable”.

<b>SECTION A – INTRODUCTION AND WARNINGS</b>		
<b>A.1</b>	<b>Warning to investors</b>	<p>This summary should be read as an introduction to this Document.</p> <p>Any decision to invest in the Ordinary Shares should be based on consideration of this Document as a whole by the investor.</p> <p>Where a claim relating to the information contained in this Document is brought before a court the plaintiff investor might, under the national legislation of the Member States, have to bear the costs of translating this Document before legal proceedings are initiated.</p> <p>Civil liability attaches only to those persons who have tabled this summary including any translation thereof but only if this summary is misleading, inaccurate or inconsistent when read together with the other parts of this Document or it does not provide, when read together with the other parts of this Document, key information in order to aid investors when considering whether to invest in such securities.</p>
<b>A.2</b>	<b>Consent for intermediaries</b>	Not applicable; this is not a public offer of securities and consent will not be given by the Company for the use of this Document for subsequent resale or final placement of securities by financial intermediaries.
<b>SECTION B – ISSUER</b>		
<b>B.1</b>	<b>Legal and commercial name</b>	The legal and commercial name of the issuer is General Industries Plc.
<b>B.2</b>	<b>Domicile/Legal form/ Legislation/Country of incorporation</b>	The Company was incorporated with limited liability under the laws of England and Wales on 9 April 2014 with registered number 8988813 as a public company limited by shares under the Companies Act 2006. It is domiciled in the United Kingdom and is subject to the City Code.
<b>B.3</b>	<b>Current operations/ Principal activities and markets</b>	<p>The Company is currently an investment vehicle, whose strategy is to acquire a business in the support services sector which requires further funding for expansion.</p> <p>Should the Acquisition of Altair Consultancy and Advisory Services Limited (“Altair”) complete, the Enlarged Group will become a consultancy and advisory company providing advice to a range of public, charitable and private organisations involved in the provision of affordable and market rent housing.</p>

		<p>The business of Altair is to provide support services to enable other organisations to carry out their activities in a more efficient manner. The Enlarged Group will help manage complex and diverse organisations through periods of significant change, driving service improvement and delivering creative solutions. Altair's traditional client base includes Housing Associations, charities and Local Authorities, although the client base also includes government departments, statutory bodies, financial institutions and other private commercial institutions.</p> <p>Within the housing sector, Altair provides a broad range of advisory and consultancy services to its clients covering areas such as general management, high level executive recruitment, corporate governance, financial planning, management strategy, training and raising finance. In the housing sector Altair has established contacts with the Homes and Communities Agency (the government's affordable homes investment, regeneration and regulation agency in England), GLA, Welsh Government and the Scottish Regulator. Altair's services also cover the application of government strategies to increase the supply of affordable housing both for rent and home ownership as well as local government initiatives encouraging the transfer of public sector housing to independent vehicles.</p> <p>Altair has an office in London and a presence in Cardiff and Dublin.</p>
<b>B.4a</b>	<b>Significant trends</b>	<p>The Existing Directors believe there is a strong and growing market for the provision of high quality specialist consultancy services to Local Authorities, Housing Associations, charities, property companies, regulators and government departments operating in the provision of affordable housing, market rent and home ownership initiatives.</p> <p>The continuing shortage of affordable housing in the United Kingdom, increasing population and demographic issues drive and will continue to drive demand for more complex solutions for projects and investments within that sector and these initiatives will require carefully prepared management models and support from professional advisers.</p> <p>The Existing Directors, therefore, consider that these trends will continue to have an increasing impact on the demand for the type of services provided by Altair.</p>
<b>B.5</b>	<b>Group structure</b>	<p>As at the date of this Document, neither the Company nor Altair are part of a group, however following completion of the Acquisition and Admission, Altair will be a wholly owned subsidiary of the Company.</p> <p>There are no other group companies.</p>
<b>B.6</b>	<b>Major shareholders</b>	<p>Save for the interests of the Existing Directors and the Proposed Directors, which are set out below, as at the date of this Document, the Directors are aware of the following holdings of Ordinary Shares, which following completion of the Acquisition and Re-Admission, will represent 3 per cent. or more of the Company's share capital:</p>

Name	As at the date of this Document		On Re-Admission	
	Number of Ordinary Shares	Percentage of Existing Ordinary Shares	Number of Ordinary Shares	Percentage of the Enlarged Share Capital
S M Kane	–	–	3,279,441	10.41
C Wood	–	–	3,279,441	10.41
The Cardiff Property plc	1,000,000	9.71	1,000,000	3.17
Brook Hall Limited	1,000,000	9.71	1,000,000	3.17

As at the date of this Document and following completion of the Acquisition and Re-Admission, the interests of the Existing Directors and the Proposed Directors and each of their respective connected persons in the share capital of the Company, all of which are beneficial, are and will be as follows:

Name	As at the date of this Document		On Re-Admission	
	Number of Ordinary Shares beneficially owned, controlled or directed, directly or indirectly	Percentage of Existing Ordinary Shares	Number of Ordinary Shares beneficially owned, controlled or directed, directly or indirectly	Percentage of the Enlarged Share Capital
<b>Existing Directors</b>				
J R Wollenberg	2,010,001*	19.51	3,808,405**	12.09
The Cardiff Property plc***	1,000,000	9.71	1,000,000	3.17
D M Joseph	1,072,000	10.41	2,870,402	9.11
D A Whitaker****	268,000	2.60	268,000	0.85
J Zitron	1,000,000	9.71	2,798,402	8.88
<b>Proposed Directors</b>				
S F Douglas	–	–	3,279,441	10.41
F M Underwood	–	–	3,279,441	10.41

\* 400,000 of these Ordinary Shares are held by immediate family members of J R Wollenberg

\*\* 1,838,724 of these Ordinary Shares will be held by immediate family members of J R Wollenberg

\*\*\* The Cardiff Property plc is a company controlled by the Wollenberg family

\*\*\*\* 178,000 of these Ordinary Shares are held jointly with his wife, Mrs N Whitaker

Other than those persons described above, as at 17 July 2015, the Company had not been notified, nor was it otherwise aware of, any persons who directly or indirectly, have an interest in the Company's share capital or Voting Rights which is notifiable under UK Law.

All of the Ordinary Shares rank *pari passu* in all aspects.

The Concert Party, taken together, will hold a controlling interest in the Enlarged Share Capital for the purposes of the Listing Rules and will or could directly or indirectly control or could exercise control over the Company following completion of the Acquisition. Accordingly each member of the Concert Party has entered into a relationship agreement with the Company and Beaumont Cornish to regulate the ongoing relationship between the Company and the members of the Concert Party with the intention of ensuring that the Company is capable of carrying on its business independently. Further details of the Relationship Agreement are set out in paragraph 2 of Part III of this Document.

<p><b>B.7</b></p>	<p><b>Selected historical key financial information</b></p>	<p>Upon Admission the Acquisition will be completed and the Company will be the holding company of Altair. Accordingly, this Document contains historical financial information for the Company and Altair along with pro forma financial information for the Enlarged Group. The Company was incorporated on 9 April 2014 and was admitted to the standard segment of the Official List and to trading on the London Stock Exchange's Main Market on 28 August 2014. In the first accounting period since its incorporation, the Company recorded a loss before tax of £35,604 and as at that date, had net assets of £961,372.</p> <p>The tables below set out summary financial information of the Company for the period ended 31 March 2015 and for Altair as of and for the years ended 31 March 2013, 2014 and 2015 as extracted from the historical financial information of the Company and Altair set out in Part IV of this Document.</p> <p><b>Selected Financial Information of the Company:</b></p> <p><b>Statement of Comprehensive Income</b> <i>for the period ended 31 March 2015</i></p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 80%;"></th> <th style="text-align: right; vertical-align: bottom;"><i>Period ended 31 March 2015</i></th> </tr> <tr> <th></th> <th style="text-align: right;">£</th> </tr> </thead> <tbody> <tr> <td>Administrative expenses</td> <td style="text-align: right;">(38,452)</td> </tr> <tr> <td><b>Operating loss</b></td> <td style="text-align: right;"><b>(38,452)</b></td> </tr> <tr> <td>Interest receivable</td> <td style="text-align: right;">2,848</td> </tr> <tr> <td><b>Loss on ordinary activities before taxation</b></td> <td style="text-align: right;"><b>(35,604)</b></td> </tr> <tr> <td>Tax on loss on ordinary activities</td> <td style="text-align: right;">–</td> </tr> <tr> <td><b>Loss and total comprehensive expense for the period attributable to the owners of the company</b></td> <td style="text-align: right;"><b>(35,604)</b></td> </tr> </tbody> </table> <p><b>Statement of Financial Position</b> <i>at 31 March 2015</i></p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 80%;"></th> <th style="text-align: right; vertical-align: bottom;"><i>At 31 March 2015</i></th> </tr> <tr> <th></th> <th style="text-align: right;">£</th> </tr> </thead> <tbody> <tr> <td><b>Current assets</b></td> <td></td> </tr> <tr> <td>Trade and other receivables</td> <td style="text-align: right;">18,000</td> </tr> <tr> <td>Cash and cash equivalents</td> <td style="text-align: right;">946,207</td> </tr> <tr> <td></td> <td style="text-align: right; border-top: 1px solid black;">964,207</td> </tr> <tr> <td><b>Current Liabilities</b></td> <td></td> </tr> <tr> <td>Trade and other payables</td> <td style="text-align: right;">(2,835)</td> </tr> <tr> <td><b>Net assets</b></td> <td style="text-align: right;"><b>961,372</b></td> </tr> <tr> <td><b>Equity</b></td> <td></td> </tr> <tr> <td>Called up share capital</td> <td style="text-align: right;">515,000</td> </tr> <tr> <td>Share premium account</td> <td style="text-align: right;">464,960</td> </tr> <tr> <td>Retained earnings</td> <td style="text-align: right;">(18,588)</td> </tr> <tr> <td><b>Equity attributable to the owners of the company</b></td> <td style="text-align: right;"><b>961,372</b></td> </tr> <tr> <td><b>Net assets per share</b></td> <td style="text-align: right;"><b>9.33p</b></td> </tr> </tbody> </table>		<i>Period ended 31 March 2015</i>		£	Administrative expenses	(38,452)	<b>Operating loss</b>	<b>(38,452)</b>	Interest receivable	2,848	<b>Loss on ordinary activities before taxation</b>	<b>(35,604)</b>	Tax on loss on ordinary activities	–	<b>Loss and total comprehensive expense for the period attributable to the owners of the company</b>	<b>(35,604)</b>		<i>At 31 March 2015</i>		£	<b>Current assets</b>		Trade and other receivables	18,000	Cash and cash equivalents	946,207		964,207	<b>Current Liabilities</b>		Trade and other payables	(2,835)	<b>Net assets</b>	<b>961,372</b>	<b>Equity</b>		Called up share capital	515,000	Share premium account	464,960	Retained earnings	(18,588)	<b>Equity attributable to the owners of the company</b>	<b>961,372</b>	<b>Net assets per share</b>	<b>9.33p</b>
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**Statement of Cash Flows**  
for the period ended 31 March 2015

Period ended  
31 March 2015  
£

**Cash flows from operating activities**

Loss for the period (35,604)

*Adjustments for:*

Share-based payment expense 17,016

Interest receivable (2,848)

**Cash flows from operations before changes in working capital**

(21,436)

Increase in trade and other receivables (18,000)

Increase in trade and other payables 2,835

**Cash generated from operations** (36,601)

Tax paid –

**Net cash flows from operating activities** (36,601)

**Cash flows from investing activities**

Interest receivable 2,848

**Net cash flows from investing activities** 2,848

**Cash flows from financing activities**

Proceeds on issue of shares 1,010,000

Transaction costs of issue of shares (30,040)

**Net cash flows from financing activities** 979,960

**Net increase in cash and cash equivalents** 946,207

Cash and cash equivalents on incorporation –

**Cash and cash equivalents at end of year** 946,207

During the period covered by the historical key financial information set out above, the significant change to the Company's financial condition was the receipt of net proceeds from the issue of shares in conjunction with the Original Admission. There was no significant change to the Company's operating results during the period.

Since 31 March 2015 (being the end of the last financial period of the Company for which financial information has been published), there has been no significant change in the financial condition and operating results of the Company.



**Selected Financial Information of Altair:  
Statements of Comprehensive Income**

*Years ended 31 March*

2013                      2014                      2015  
£                              £                              £

**Continuing operations**

Revenue	2,707,995	2,838,400	4,074,257
Cost of Sales	(2,187,960)	(2,172,020)	(3,067,034)
<b>Gross Profit</b>	520,035	666,380	1,007,223
Administrative expenses	(200,414)	(267,050)	(402,583)
<b>Operating profit</b>	319,621	399,330	604,640
Finance income	455	2,390	2,502
Finance costs	(18,750)	(18,750)	(14,424)
<b>Profit before tax</b>	301,326	382,970	592,718
Tax	(36,009)	(90,250)	(114,125)

**Profit and total comprehensive  
income attributable to the  
owners of the company**

265,317                      292,720                      478,593

**Earnings per share attributable  
to the equity holders of the  
company during the year:**

Basic (£)	283	313	510
Diluted (£)	283	313	509

**Statements of Financial Position**

*As at 31 March*

2013                      2014                      2015  
£                              £                              £

**ASSETS**

**Current assets**

Trade and other receivables	709,634	747,417	1,041,590
Cash and cash equivalents	367,284	852,906	1,113,959
<b>Total assets</b>	<u>1,076,918</u>	<u>1,600,323</u>	<u>2,155,549</u>

**LIABILITIES**

**Current liabilities**

Trade and other payables	520,933	729,201	1,113,508
Current tax liability	36,009	90,250	143,742
	<u>556,942</u>	<u>819,451</u>	<u>1,257,250</u>

**Non-current liabilities**

Shareholder loans	375,000	375,000	–
<b>Total liabilities</b>	<u>931,942</u>	<u>1,194,451</u>	<u>1,257,250</u>

**Net assets**

144,976                      405,872                      898,299

**Equity**

Share capital	936	936	973
Share premium account	–	–	126,651
Retained earnings	144,040	404,936	770,675

**Equity attributable to the  
owners of the Company**

144,976                      405,872                      898,299

		<b>Statements of Cash Flows</b>		
		<i>Years to 31 March</i>		
		2013	2014	2015
		£	£	£
		<b>Cash flows from operating activities</b>		
		301,326	382,970	592,718
		18,750	18,750	14,424
		(455)	(2,390)	(2,502)
		–	–	21,516
		Changes in working capital:		
		(115,798)	(37,783)	(275,101)
		3,744	223,268	388,057
		–	(36,009)	(79,705)
		<u>207,567</u>	<u>548,806</u>	<u>659,407</u>
		<b>Cash flows from investing activities</b>		
		455	2,390	2,502
		<u>455</u>	<u>2,390</u>	<u>2,502</u>
		<b>Cash flows from financing activities</b>		
		–	(31,824)	(134,370)
		–	–	126,688
		–	–	(375,000)
		(20,627)	(33,750)	(18,174)
		<u>(20,627)</u>	<u>(65,574)</u>	<u>(400,856)</u>
		<b>Net increase in cash and cash equivalents</b>		
		<u>187,395</u>	<u>485,622</u>	<u>261,053</u>
		179,889	367,284	852,906
		<u>367,284</u>	<u>852,906</u>	<u>1,113,959</u>
		<p>During the period covered by the historical key financial information set out above and since 31 March 2015 (being the end of the last financial period of the Altair for which financial information has been published), there has been no significant change to the financial condition and operating results of Altair.</p>		
<b>B.8</b>	<b>Selected key pro forma financial information</b>	<p>The selected unaudited pro forma financial information has been prepared for illustrative purposes only and, because of its nature, addresses a hypothetical situation and, therefore, does not represent the Company's actual financial position or results nor is it indicative of the results that may, or may not, be expected to be achieved in the future.</p>		

		If Re-Admission had taken place on 31 March 2015 (being the date as at which the financial information contained in Part IV (A) of this Document (Financial Information on the Company) is presented, the net assets of the Company would have been higher by £718,299 and the loss before tax for the year ended 31 March 2015 would have been £1,339,707 reflecting the “deemed cost of listing” of £1,716,821 as a reverse acquisition under IFRS 3.
<b>B.9</b>	<b>Profit forecasts or estimates</b>	Not applicable; no profit forecast or estimate is made.
<b>B.10</b>	<b>Qualified audit report</b>	Not applicable, there are no qualifications in the accountant’s report on the historical financial information.
<b>B.11</b>	<b>Working capital explanation</b>	The Company is of the opinion that the working capital available to the Group is sufficient for its present requirements, that is, for at least the next twelve months from the date of this Document.

### SECTION C – SECURITIES

<b>C.1</b>	<b>Description of the type and the class of the securities being offered</b>	The securities subject to Admission are Existing Ordinary Shares together with Consideration Shares all being Ordinary Shares of 5p each which together will be registered with ISIN number GB00BPYP3Q26 and SEDOL number BPYP3Q2.
<b>C.2</b>	<b>Currency of the securities issue</b>	The Ordinary Shares are denominated in UK Sterling.
<b>C.3</b>	<b>Issued share capital</b>	On Admission, there will be 31,500,000 Ordinary Shares of 5p each in issue and fully paid comprising the 10,300,000 Existing Ordinary Shares and the 21,200,000 Consideration Shares.
<b>C.4</b>	<b>Rights attaching to the securities</b>	The Consideration Shares will on Admission rank <i>pari passu</i> in all respects with the Existing Ordinary Shares in issue and will rank in full for all dividends and other distributions thereafter declared, made or paid on the share capital of the Company.
<b>C.5</b>	<b>Restrictions on transferability</b>	None – all Ordinary Shares, including the Consideration Shares, are freely transferable.
<b>C.6</b>	<b>Application for admission to trading on a regulated market</b>	As the Acquisition is classified as a Reverse Takeover under the Listing Rules, upon completion of the Acquisition, the listing on the standard listing segment of the Official List of all of the Existing Ordinary Shares will be cancelled, an application will be made for the immediate admission of the Enlarged Share Capital to the Official List of the UKLA by means of a Standard Listing and to trading on the London Stock Exchange’s Main Market for listed securities. It is expected that Re-Admission will become effective and that unconditional dealings will commence on the London Stock Exchange at 8.00 a.m. on 20 August 2015. The Ordinary Shares will not be listed on any other regulated market.
<b>C.7</b>	<b>Dividend policy</b>	The Company intends to pay dividends on the Ordinary Shares following the Acquisition, as the Board determines appropriate, and in view of financial performance of the Enlarged Group and the level of profits required to be retained in pursuance of the strategic objectives of the Company. The Company intends on paying reasonable dividends to the extent that to do so is in accordance with all applicable laws.

**SECTION D – RISKS**

<p><b>D.1</b></p>	<p><b>Key information on the key risks that are specific to the issuer or its industry</b></p>	<p><b><i>Unfavourable economic conditions and/or a consequential change in Government policy may have an adverse impact on the Enlarged Group’s results and/or financial condition</i></b></p> <p>The Enlarged Group’s operating results and/or its financial condition may be negatively affected by a downturn in the general economic climate within the UK which consequently may have adverse effect upon Government policy and spending and private sector investments.</p> <p>A reduced level of economic activity will restrict the amount of outsourcing by companies, local authorities or other bodies and result in the restriction of funding available for the purchase of such services leading to a decline in the number of firms in the sector and their profitability.</p> <p><b><i>Reduction in Government investment and funding is likely to have negative effect on the Enlarged Group’s future revenues and profitability</i></b></p> <p>The Enlarged Group’s future revenues and profitability will be dependent on the current UK Government’s policy with regard to expenditure on service and social housing improvements and to public expenditure levels in general. The Enlarged Group will depend on the policies and expenditure levels of its local government customers which follow their own strategies within the context of UK Government policy. The UK Government and local authorities may decide in future to change their programmes and priorities including reducing present or future spending and investment where the Enlarged Group would expect to compete for work.</p> <p><b><i>Competition may limit the Enlarged Group’s operations and profits</i></b></p> <p>The contracts and procurement arrangements under which companies operating in these sectors compete for new business can lead to a higher cost of procuring new contracts and the possibility of not meeting fully the terms of contracts leading to reduced margins.</p> <p><b><i>The Enlarged Group may be unable to retain or hire appropriately skilled personnel required to support the operation of the Enlarged Group</i></b></p> <p>The success of the Enlarged Group will be dependent on retaining, developing, motivating and communication with senior management and personnel and as the business grows on recruiting appropriately skilled, competent people at all levels. The shortages in the availability of appropriately skilled personnel may have a negative effect on the Enlarged Group. The members of the Enlarged Group’s management team are expected to contribute to its ability to obtain, generate and manage opportunities. If the Enlarged Group is not able successfully to attract, retain and motivate such personnel, it may not be able to maintain standards of service or continue to grow its businesses as anticipated. The loss of such personnel, or the inability to attract, retain, motivate and communicate with additional skilled employees required for their activities within an affordable cost</p>
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		<p>base, could have an adverse effect on the Enlarged Group's business and prospects.</p> <p><b><i>The Enlarged Group may not be able to retain and/or form and retain new business relationships</i></b></p> <p>The Enlarged Group will rely significantly on maintaining good relationships with its current customers and also with regulatory and government organisations, such as Registered Providers, Local Authorities, the House and Communities Agency which operate within the same sector as the Enlarged Group. There can be no assurance that the Enlarged Group's existing relationships with its customers will continue or that new ones will be successfully formed. In addition, maintenance of a good working relationship with the regulatory and governmental organisations is very important as it results in referrals to new business. Therefore, the Enlarged Group, and in particular its development, financial condition, operating results or prospects, could be adversely affected should the relationships with its existing customers be early terminated or not renewed, or should the good relationship with the regulatory or governmental organisations be broken.</p> <p><b><i>Fluctuations of revenues, expenses and operating results</i></b></p> <p>The revenues, expenses and operating results of the Enlarged Group could vary significantly from period to period as a result of a variety of factors, some of which are outside of its control. These factors include general economic conditions, adverse movements in interest rates, increased competition, changes in regulation and Government, Local Authorities and private sector spending. In response to a changing competitive environment, the Enlarged Group may elect from time to time to make certain pricing, service or marketing decisions or acquisitions that could have a material adverse effect on the Enlarged Group's revenues, results of operations and financial condition. Despite the current strength of the order book and order pipeline of the Enlarged Group, there is no guarantee that these orders and expected orders will be converted into sales which could have a material adverse effect upon the Enlarged Group's profitability, cash flow and ability to meet market expectations of the Group's sales, profitability and cash flow.</p>
D.3	<p><b>Key information on the key risks that are specific to the securities</b></p>	<p>As Consideration Shares are being issued as consideration for the Acquisition, this will dilute the interests of investors and/or could have an adverse effect on the market price of the Ordinary Shares.</p> <p><b><i>The proposed Standard Listing of the Ordinary Shares will afford investors a lower level of regulatory protection than a Premium Listing</i></b></p> <p>Pursuant to the Acquisition, application will be made for the Ordinary Shares to be re-admitted, and for the Consideration Shares to be admitted, to the Official List by means of a Standard Listing. A Standard Listing will afford investors in the Company a lower level of regulatory protection that afforded to investors in a company with a Premium Listing, which is subject to additional obligations under the Listing Rules. A Standard Listing will not permit the Company to gain a FTSE indexation, which may have an adverse effect on the valuation of the Ordinary Shares.</p>

		<p>While the Company has a Standard Listing, it is not required to comply with the provisions of, among other things:</p> <p><b><i>Investors may not be able to realise returns on their investment in Ordinary Shares within a period that they would consider to be reasonable</i></b></p> <p>Investments in Ordinary Shares may be relatively illiquid. There may be a limited number of Shareholders and this factor may contribute both to infrequent trading in the Ordinary Shares on the London Stock Exchange and to volatile Ordinary Share price movements. Investors should not expect that they will necessarily be able to realise their investment in Ordinary Shares within a period that they would regard as reasonable. Accordingly, the Ordinary Shares may not be suitable for short-term investment. Re-Admission should not be taken as implying that there will be an active trading market for the Ordinary Shares. Even if an active trading market develops, the market price for the Ordinary Shares may fall below the issue price.</p> <p><b><i>Dividend payments on the Ordinary Shares are not guaranteed</i></b></p> <p>The ability of the Enlarged Group to pay dividends on the Enlarged Group's Ordinary Shares is a function of its profitability and the extent to which, as a matter of law, it will have available to it sufficient distributable reserves out of which any proposed dividend may be paid. The Enlarged Group can give no assurances that it will be able to pay a dividend going forward.</p>
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<b>SECTION E – OFFER</b>		
<b>E.1</b>	<b>Total Net proceeds/ expenses</b>	There are no proceeds relating to the Acquisition as no shares will be issued for cash in connection with the Acquisition or Re-Admission. The estimated total expenses in relation to the Acquisition and Re-Admission are £180,000 (including VAT).
<b>E.2a</b>	<b>Reasons for the offer and use of proceeds</b>	Not applicable.
<b>E.3</b>	<b>Terms and conditions of the offer</b>	Not applicable.
<b>E.4</b>	<b>Material interests</b>	Not applicable.
<b>E.5</b>	<b>Selling shareholders/ lock-up agreements</b>	<p>Not applicable; no person or entity is offering to sell the relevant securities.</p> <p>Each of the members of the Concert Party have agreed that they shall not, without the prior written consent of the Board and Beaumont Cornish, offer, sell, contract to sell, pledge or otherwise dispose of any Ordinary Shares which they hold directly or indirectly in the Company for a period commencing on the date of Re-Admission and ending on the first anniversary of Re-Admission and thereafter subject to the normal orderly market rules of the London Stock Exchange.</p> <p>The restrictions on the ability of the members of the Concert Party to transfer their Ordinary Shares are subject to certain usual and customary exceptions and exceptions for: transfers for estate planning purposes; transfers to trusts (including any direct or indirect wholly-owned subsidiary of such trusts) for the benefit of</p>

		<p>the Directors or their families; transfers to affiliates or direct or indirect equity holders, holders of partnership interests in each case, subject to certain conditions, transfers to any direct or indirect subsidiary of the Company, a target company or shareholders of a target company in connection with an Acquisition, provided that in each of the foregoing cases, the transferees enter into a lock-up agreement; transfers of any Ordinary Shares acquired after the date of Re-Admission in an open-market transaction, or the acceptance of, or provision of, an irrevocable undertaking to accept, a general offer made to all Shareholders on equal terms; after the Acquisition, transfers to satisfy certain tax liabilities in connection with, or as a result of transactions related to, completion of the Acquisition.</p>
<b>E.6</b>	<b>Dilution</b>	<p>Upon completion of the Acquisition, the Consideration Shares will represent approximately 67.30 per cent. of the Enlarged Share Capital of the Company.</p>
<b>E.7</b>	<b>Expenses charged to investors</b>	<p>Not applicable; no expenses will be charged to investors.</p>

## RISK FACTORS

*Investment in the Company and the Ordinary Shares or proceeding with the Acquisition carries a significant degree of risk, including risks in relation to the Company's business strategy, potential conflicts of interest, risks relating to taxation and risks relating to the Ordinary Shares.*

*Existing Shareholders and prospective investors should note that the risks relating to the Enlarged Group, its industry and the Ordinary Shares summarised in the section of this Document headed "Summary" are the risks that the Directors believe to be the most essential to an assessment by an Existing Shareholder prior to making any decision on the Resolutions, or in the case of a prospective investor of whether to consider an investment in the Ordinary Shares. However, as the risks which the Enlarged Group faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in the section of this Document headed "Summary" but also, among other things, the risks and uncertainties described below.*

*The risks referred to below are those risks the Enlarged Group and the Directors consider to be the material risks relating to the Enlarged Group. However, there may be additional risks that the Enlarged Group and the Directors do not currently consider to be material or of which the Group and the Directors are not currently aware that may adversely affect the Enlarged Group's business, financial condition, results of operations or prospects. Existing Shareholders and prospective investors should review this Document carefully and in its entirety and consult with their professional advisers before making any decisions on the Resolutions, or acquiring any Ordinary Shares. If any of the risks referred to in this Document were to occur, the results of operations, financial condition and prospects of the Company could be materially adversely affected. If that were to be the case, the trading price of the Ordinary Shares and/or the level of dividends or distributions (if any) received from the Ordinary Shares could decline significantly. Further, investors could lose all or part of their investment.*

### **RISKS RELATING TO THE BUSINESS OF THE GROUP**

#### ***Unfavourable economic conditions and/or a consequential change in Government policy may have an adverse impact on the Enlarged Group's results and/or financial condition***

The Enlarged Group's operating results and/or its financial condition may be negatively affected by a downturn in the general economic climate within the UK which consequently may have adverse effect upon Government policy and spending and private sector investments.

A reduced level of economic activity will restrict the amount of outsourcing by companies, local authorities or other bodies and result in the restriction of funding available for the purchase of such services leading to a decline in the number of firms in the sector and their profitability.

#### ***Reduction in Government investment and funding is likely to have negative effect on the Enlarged Group's future revenues and profitability***

The Enlarged Group's future revenues and profitability will be dependent on the current UK Government's policy with regard to expenditure on service and social housing improvements and to public expenditure levels in general. The Enlarged Group will depend on the policies and expenditure levels of its local government customers which follow their own strategies within the context of UK Government policy. The UK Government and local authorities may decide in future to change their programmes and priorities including reducing present or future spending and investment where the Enlarged Group would expect to compete for work.

#### ***Competition may limit the Enlarged Group's operations and profits***

The sector in which the Enlarged Group operates is competitive and as a result of this the Enlarged Group suffers the risk that it may fail to win new contracts in the service sector which are sufficiently profitable to maintain or improve the Enlarged Group's financial condition.



The contracts and procurement arrangements under which companies operating in this sector compete for new business can lead to a higher cost of procuring new contracts and the possibility of not meeting fully the terms of contracts leading to reduced margins.

***The Enlarged Group may be unable to retain or hire appropriately skilled personnel required to support the operation of the Enlarged Group***

The success of the Enlarged Group will be dependent on retaining, developing, motivating and communication with senior management and personnel and as the business grows on recruiting appropriately skilled, competent people at all levels. The shortages in the availability of appropriately skilled personnel may have a negative effect on the Enlarged Group. The members of the Enlarged Group's management team are expected to contribute to its ability to obtain, generate and manage opportunities. If the Enlarged Group is not able successfully to attract, retain and motivate such personnel, it may not be able to maintain standards of service or continue to grow its businesses as anticipated. The loss of such personnel, or the inability to attract, retain, motivate and communicate with additional skilled employees required for their activities within an affordable cost base, could have an adverse effect on the Enlarged Group's business and prospects.

***The Enlarged Group may not be able to retain or form new business relationships***

The Enlarged Group will rely significantly on maintaining good relationships with its current customers and also with regulatory and government organisations, such as Registered Providers, Local Authorities, the House and Communities Agency which operate within the same sector as the Enlarged Group. There can be no assurance that the Enlarged Group's existing relationships with its customers will continue or that new ones will be successfully formed. In addition, maintenance of a good working relationship with the regulatory and governmental organisations is very important as it results in referrals to new business. Therefore, the Enlarged Group, and in particular its development, financial condition, operating results or prospects, could be adversely affected should the relationships with its existing customers be early terminated or not renewed, or should the good relationship with the regulatory or governmental organisations be broken.

***Fluctuations of revenues, expenses and operating results***

The revenues, expenses and operating results of the Enlarged Group could vary significantly from period to period as a result of a variety of factors, some of which are outside of its control. These factors include general economic conditions, adverse movements in interest rates, increased competition, changes in regulation and Government, local authorities and private sector spending. In response to a changing competitive environment, the Enlarged Group may elect from time to time to make certain pricing, service or marketing decisions or acquisitions that could have a material adverse effect on the Enlarged Group's revenues, results of operations and financial condition. Despite the current strength of the order book and order pipeline of the Enlarged Group, there is no guarantee that these orders and expected orders will be converted into sales which could have a material adverse effect upon the Enlarged Group's profitability, cash flow and ability to meet market expectations of the Enlarged Group's sales, profitability and cash flow.

***Material acquisitions and/or disposals***

Whilst no acquisitions are currently under consideration, the Group may make material acquisitions or disposals in the future. Any future material acquisitions or disposals may significantly affect the Enlarged Group's operational results. Furthermore, any new acquisitions may divert resources, including the attention of the Enlarged Group's management team. No assurance can be given that the Enlarged Group will be able to manage future acquisitions profitably or integrate such acquisitions successfully without substantial costs, delays or other problems being incurred or experienced. In addition, no assurance can be given that any companies or businesses acquired will achieve levels of profitability that will justify the investment the Enlarged Group makes in them. The Enlarged Group's ability to pursue its strategy and expand its business in the future may also be affected if it is unable to identify and consummate acquisitions and integrate them successfully. The Enlarged Group may incur liabilities in respect of future disposals, either contractually through the provision of indemnities, representations and warranties, or otherwise.

### ***Force Majeure***

The Enlarged Group's operations now or in the future may be adversely affected by risks outside the control of the Group including labour unrest, war, civil disorder, subversive activities or sabotage, fires, floods, explosions, or other catastrophes, epidemics or quarantine restrictions.

### **RISKS RELATING TO THE ORDINARY SHARES**

As Consideration Shares are being issued as consideration for the Acquisition, this will dilute the interests of investors and/or could have an adverse effect on the market price of the Ordinary Shares.

#### ***The proposed Standard Listing of the Ordinary Shares will afford investors a lower level of regulatory protection than a Premium Listing***

Pursuant to the Acquisition, application will be made for the Ordinary Shares to be re-admitted, and for the Consideration Shares to be admitted, to the Official List by means of a Standard Listing. A Standard Listing will afford investors in the Company a lower level of regulatory protection that afforded to investors in a company with a Premium Listing, which is subject to additional obligations under the Listing Rules. A Standard Listing will not permit the Company to gain a FTSE indexation, which may have an adverse effect on the valuation of the Ordinary Shares.

While the Company has a Standard Listing, it is not required to comply with the provisions of, among other things:

- Chapter 8 of the Listing Rules regarding the appointment of a sponsor to guide the Company in understanding and meeting its responsibilities under the Listing Rules in connection with certain matters. The Company has not and does not intend to appoint such a sponsor on Re-Admission;
- Chapter 10 of the Listing Rules relating to significant transactions;
- Chapter 11 of the Listing Rules regarding related party transactions. Nevertheless, the Company will not enter into any transaction which would constitute a "related party transaction" as defined in Chapter 11 of the Listing Rules without the specific prior approval of a majority of the Directors;
- Chapter 12 of the Listing Rules regarding purchases by the Company of its Ordinary Shares. In particular, the Company has not adopted a policy consistent with the provisions of Listing Rules 12.4.1 and 12.4.2; and
- Chapter 13 of the Listing Rules regarding the form and content of circulars to be sent to Shareholders.

#### ***Investors may not be able to realise returns on their investment in Ordinary Shares within a period that they would consider to be reasonable***

Investments in Ordinary Shares may be relatively illiquid. There may be a limited number of Shareholders and this factor may contribute both to infrequent trading in the Ordinary Shares on the London Stock Exchange and to volatile Ordinary Share price movements. Investors should not expect that they will necessarily be able to realise their investment in Ordinary Shares within a period that they would regard as reasonable. Accordingly, the Ordinary Shares may not be suitable for short-term investment. Admission should not be taken as implying that there will be an active trading market for the Ordinary Shares. Even if an active trading market develops, the market price for the Ordinary Shares may fall below the issue price.

#### ***Dividend payments on the Ordinary Shares are not guaranteed***

The ability of the Group to pay dividends on the Group's Ordinary Shares is a function of its profitability and the extent to which, as a matter of law, it will have available to it sufficient distributable reserves out of which any proposed dividend may be paid. The Group can give no assurances that it will be able to pay a dividend going forward.

## CONSEQUENCES OF A STANDARD LISTING

As the Acquisition is classified as a Reverse Takeover under the Listing Rules, upon completion of the Acquisition, the listing on the standard listing segment of the Official List of all of the Existing Ordinary Shares will be cancelled and an application will be made for the immediate admission of those Enlarged Shares Capital to the Official List of the UKLA by means of a Standard Listing and to trading on the Main Market of the London Stock Exchange pursuant to Chapter 14 of the Listing Rules, which sets out the requirements for Standard Listings. The Company intends to comply with the Listing Principles set out in Chapter 7 of the Listing Rules at Listing Rule 7.2.1 which apply to all companies with their securities admitted to the Official List. In addition, the Company also intends to comply with the Listing Principles at Listing Rule 7.2.1A notwithstanding that they only apply to companies which obtain a Premium Listing on the Official List. With regard to the Listing Principles at 7.2.1A, the Company is not, however, formally subject to such Listing Principles and will not be required to comply with them by the UK Listing Authority.

In addition, while the Company has a Standard Listing, it is not required to comply with the provisions of, among other things:

- Chapter 8 of the Listing Rules regarding the appointment of a sponsor to guide the Company in understanding and meeting its responsibilities under the Listing Rules in connection with certain matters. The Company has not and does not intend to appoint such a sponsor in on Admission;
- Chapter 10 of the Listing Rules relating to significant transactions;
- Chapter 11 of the Listing Rules regarding related party transactions. Nevertheless, the Company will not enter into any transaction which would constitute a “related party transaction” as defined in Chapter 11 of the Listing Rules without the specific prior approval of a majority of the Directors;
- Chapter 12 of the Listing Rules regarding purchases by the Company of its Ordinary Shares. In particular, the Company has not adopted a policy consistent with the provisions of Listing Rules 12.4.1 and 12.4.2; and
- Chapter 13 of the Listing Rules regarding the form and content of circulars to be sent to Shareholders.

**It should be noted that the UK Listing Authority will not have the authority to (and will not) monitor the Company’s compliance with any of the Listing Rules which the Company has indicated herein that it intends to comply with on a voluntary basis, nor to impose sanctions in respect of any failure by the Company so to comply. However the FCA would be able to impose sanctions for non-compliance where the statement regarding compliance in this Document are themselves misleading, false or deceptive.**

## IMPORTANT INFORMATION

In deciding whether or not to invest in Ordinary Shares prospective investors should rely only on the information contained in this Document. No person has been authorised to give any information or make any representations other than as contained in this Document and, if given or made, such information or representations must not be relied on as having been authorised by the Company, the Directors. Without prejudice to the Company's obligations under the FSMA, the Prospectus Rules, Listing Rules and Disclosure and Transparency Rules, neither the delivery of this Document nor any subscription made under this Document shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this Document or that the information contained herein is correct as at any time after its date.

Prospective investors must not treat the contents of this Document or any subsequent communications from the Company, the Directors, or any of their respective affiliates, officers, directors, employees or agents as advice relating to legal, taxation, accounting, regulatory, investment or any other matters.

The section headed "Summary" should be read as an introduction to this Document. Any decision to invest in the Ordinary Shares should be based on consideration of this Document as a whole by the investor. In particular, investors must read the section headed Section D (Risks) of the Summary together with the risks set out in the section headed "Risk Factors" beginning on page 16 of this Document.

This Document is being furnished by the Company in connection with an offering exempt from registration under the Securities Act solely to enable prospective investors to consider the purchase of the Ordinary Shares. Any reproduction or distribution of this Document, in whole or in part, and any disclosure of its contents or use of any information herein for any purpose other than considering an investment in the Ordinary Shares hereby is prohibited.

This Document does not constitute, and may not be used for the purposes of, an offer to sell or an invitation or the solicitation of an offer or invitation to subscribe for or buy, and Ordinary Shares by any person in any jurisdiction: (i) in which such offer or invitation is not authorised; (ii) in which the person making such offer or invitation is not qualified to do so; or (iii) in which, or to any person to whom, it is unlawful to make such offer, solicitation or invitation. The distribution of this Document and the offering of Ordinary Shares in certain jurisdictions may be restricted. Accordingly, persons outside the United Kingdom who obtain possession of this Document are required by the Company, the Directors, to inform themselves about, and to observe any restrictions as to the offer or sale of Ordinary Shares and the distribution of, this Document under the laws and regulations of any territory in connection with any applications for Ordinary Shares including obtaining any requisite governmental or other consent and observing any other formality prescribed in such territory. No action has been taken or will be taken in any jurisdiction by the Company or the Directors that would permit a public offering of the Ordinary Shares in any jurisdiction where action for that purpose is required nor has any such action been taken with respect to the possession or distribution of this Document other than in any jurisdiction where action for that purpose is required. Neither the Company nor the Directors accept any responsibility for any violation of any of these restrictions by any other person.

The Ordinary Shares have not been and will not be registered under the Securities Act, or under any relevant securities laws of any state or other jurisdiction in the United States, or under the applicable securities laws of Australia, Canada or Japan. Subject to certain exceptions, the Ordinary Shares and Warrants may not be, offered, sold, resold, reoffered, pledged, transferred, distributed or delivered, directly or indirectly, within, into or in the United States, Australia, Canada or Japan or to any national, resident or citizen of the United States, Australia, Canada or Japan.

**The Ordinary Shares have not been approved or disapproved by the SEC, any federal or state securities commission in the United States or any other regulatory authority in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Ordinary Shares or confirmed the accuracy or determined the adequacy of the information contained in this Document. Any representation to the contrary is a criminal offence in the United States.**

Investors may be required to bear the financial risk of an investment in the Ordinary Shares for an indefinite period. Prospective investors are also notified that the Company may be classified as a passive foreign investment company for United States federal income tax purposes. If the Company is so classified, the Company may, but is not obliged to, provide to U.S. holders of Ordinary Shares the information that would be necessary in order for such persons to make a qualified electing fund election with respect to the Ordinary Shares for any year in which the Company is a passive foreign investment company.

### **Available information**

The Company is not subject to the reporting requirements of section 13 or 15(d) of the U.S. Securities Exchange Act of 1934, as amended (the “Exchange Act”). For so long as any Ordinary Shares are “restricted securities” within the meaning of Rule 144(a)(3) of the Securities Act, the Company will, during any period in which it is neither subject to section 13 or 15(d) of the Exchange Act nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, provide, upon written request, to Shareholders and any owner of a beneficial interest in Ordinary Shares or any prospective purchaser designated by such holder or owner, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

### **Data protection**

The Company may delegate certain administrative functions to third parties and will require such third parties to comply with data protection and regulatory requirements of any jurisdiction in which data processing occurs. Such information will be held and processed by the Company (or any third party, functionary or agent appointed by the Company) for the following purposes:

- (a) verifying the identity of the prospective investor to comply with statutory and regulatory requirements in relation to anti-money laundering procedures;
- (b) carrying out the business of the Company and the administering of interests in the Company;
- (c) meeting the legal, regulatory, reporting and/or financial obligations of the Company in the United Kingdom or elsewhere; and
- (d) disclosing personal data to other functionaries of, or advisers to, the Company to operate and/or administer the Company.

Where appropriate it may be necessary for the Company (or any third party, functionary or agent appointed by the Company) to:

- (a) disclose personal data to third party service providers, agents or functionaries appointed by the Company to provide services to prospective investors; and
- (b) transfer personal data outside of the EEA to countries or territories which do not offer the same level of protection for the rights and freedoms of prospective investors as the United Kingdom.

If the Company (or any third party, functionary or agent appointed by the Company) discloses personal data to such a third party, agent or functionary and/or makes such a transfer of personal data it will use reasonable endeavours to ensure that any third party, agent or functionary to whom the relevant personal data is disclosed or transferred is contractually bound to provide an adequate level of protection in respect of such personal data.

In providing such personal data, investors will be deemed to have agreed to the processing of such personal data in the manner described above. Prospective investors are responsible for informing any third party individual to whom the personal data relates of the disclosure and use of such data in accordance with these provisions.

### **Investment considerations**

In making an investment decision, prospective investors must rely on their own examination, analysis and enquiry of the Company, this Document and the terms of the Admission, including the merits and risks

involved. The contents of this Document are not to be construed as advice relating to legal, financial, taxation, investment decisions or any other matter. Investors should inform themselves as to:

- the legal requirements within their own countries for the purchase, holding, transfer or other disposal of the Ordinary Shares;
- any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of the Ordinary Shares which they might encounter; and
- the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer or other disposal of the Ordinary Shares or distributions by the Company, either on a liquidation and distribution or otherwise. Prospective investors must rely upon their own representatives, including their own legal advisers and accountants, as to legal, tax, investment or any other related matters concerning the Company and an investment therein.

An investment in the Company should be regarded as a long-term investment. There can be no assurance that the Company's objective will be achieved.

It should be remembered that the price of the Ordinary Shares and any income from such Ordinary Shares, can go down as well as up.

This Document should be read in its entirety before making any investment in the Ordinary Shares. All Shareholders are entitled to the benefit of, are bound by, and are deemed to have notice of, the provisions of the Articles of Association of the Company, which investors should review.

#### **Forward-looking statements**

This Document includes statements that are, or may be deemed to be, "forward-looking statements". In some cases, these forward-looking statements can be identified by the use of forward-looking terminology, including the terms "targets", "believes", "estimates", "anticipates", "expects", "intends", "may", "will", "should" or, in each case, their negative or other variations or comparable terminology. They appear in a number of places throughout the Document and include statements regarding the intentions, beliefs or current expectations of the Company and the Board concerning, among other things: (i) the Company's objective and financing strategies, results of operations, financial condition, capital resources, prospects, capital appreciation of the Ordinary Shares and dividends; and (ii) future deal flow and implementation of active management strategies. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performances. The Company's actual performance, results of operations, financial condition, distributions to shareholders and the development of its financing strategies may differ materially from the forward-looking statements contained in this Document. In addition, even if the Company's actual performance, results of operations, financial condition, distributions to shareholders and the development of its financing strategies are consistent with the forward-looking statements contained in this Document, those results or developments may not be indicative of results or developments in subsequent periods.

Prospective investors should carefully review the "Risk Factors" section of this Document for a discussion of additional factors that could cause the Company's actual results to differ materially, before making an investment decision. For the avoidance of doubt, nothing in this paragraph constitutes a qualification of the working capital statement contained in paragraph 8 of Part VI of this Document (Additional Information).

Forward-looking statements contained in this Document apply only as at the date of this Document. Subject to any obligations under Listing Rules, the Disclosure and Transparency Rules and the Prospectus Rules, the Company undertakes no obligation publicly to update or review any forward-looking statement, whether as a result of new information, future developments or otherwise.

**Market data**

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

**International Financial Reporting Standards**

As required by the Act and Article 4 of the European Union IAS Regulation, the financial statements of the Company and of Altair are prepared in accordance with IFRS issued by the International Accounting Standards Board (“IASB”) and interpretations issued by the International Financial Reporting Interpretations Committee of the IASB as adopted by the European Union.

**Currency presentation**

Unless otherwise indicated, all references in this Document to “British pound sterling”, “sterling”, “£”, or “pounds” are to the lawful currency of the U.K.

**Incorporation of information by reference**

The contents of the Company’s website, any website mentioned in this Prospectus or any website directly or indirectly linked to these websites have not been verified and do not form part of this Prospectus, and prospective investors should not rely on them.

**Definitions**

A list of defined terms used in this Document is set out in “Definitions” beginning at page 114.

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this Document	20 July 2015
Latest time and date for receipt of Forms of Proxy for the General Meeting	1.00 p.m. on 17 August 2015
General Meeting	1.00 p.m. on 19 August 2015
Completion of Acquisition	19 August 2015
Issue of Consideration Shares	19 August 2015
Cancellation of trading of Existing Ordinary Shares	7.30 a.m. on 20 August 2015
Admission of the Enlarged Share Capital effective and commencement of dealings in Ordinary Shares	8.00 a.m. on 20 August 2015
Dispatch of definitive share certificates for Consideration Shares	by 28 August 2015

- (1) All times shown in this Document are London GMT times unless otherwise stated. The dates and times given are indicative only and are based on the Company's current expectations and may be subject to change. If any of the times and/or dates above change the revised times and/or dates will be notified to Shareholders by announcement through the Regulatory News Service of the London Stock Exchange.
- (2) If the General Meeting is adjourned, the latest time and date for receipt of Forms of Proxy for the adjourned meeting will be notified to Shareholders by announcement through the Regulatory News Service of the London Stock Exchange.

## STATISTICS

Total number of Existing Ordinary Shares as at the date of this Document	10,300,000
Number of Consideration Shares to be issued pursuant to the Acquisition	21,200,000
The Enlarged Share Capital following Acquisition and Admission	31,500,000
Number of Consideration Shares to be issued pursuant to the Acquisition as a percentage of the Enlarged Share Capital	67.30 per cent.
Estimated expenses of the Re-Admission and Acquisition	£150,000
Closing Price	31 pence
Market capitalisation of the Company at Closing Price	£9,765,000

## DEALING CODES

ISIN	GB00BPYP3Q26
SEDOL	BPYP3Q2
EPIC/TIDM	GNI



## DIRECTORS AND ADVISERS

### Existing Directors

John Richard Wollenberg	<i>Chairman</i>
David Arthur Whitaker*	<i>Finance Director</i>
Derek Maurice Joseph	<i>Non-Executive Director</i>
Jeffrey Curtis Zitron	<i>Non-Executive Director</i>

\* to resign with effect from Admission

*whose business address is at:*

56 Station Road  
Egham  
Surrey  
TW20 9LF  
Tel: 01784 437444  
website: [www.general-industries.co.uk](http://www.general-industries.co.uk)

### Directors on Admission

Jeffrey Curtis Zitron	<i>Non-Executive Chairman</i>
Steven Franklyn Douglas	<i>Joint Chief Executive</i>
Fiona May Underwood	<i>Joint Chief Executive</i>
Derek Maurice Joseph	<i>Finance Director</i>
John Richard Wollenberg	<i>Non-Executive Director</i>

*whose business address from Admission will be:*

Tempus Wharf  
29a Bermondsey  
Wall West  
London  
SE16 4SA  
Tel: 020 7934 0175  
website: [www.general-industries.co.uk](http://www.general-industries.co.uk)

### Secretary on Admission

Fiona May Underwood  
Tempus Wharf  
29a Bermondsey  
Wall West  
London  
SE16 4SA (Telephone 020 7934 0175)

### Altair Directors

Steven Franklyn Douglas  
Derek Maurice Joseph  
Susan Margaret Kane  
Fiona May Underwood  
Christopher Wood  
Jeffrey Curtis Zitron

### Financial Adviser

Beaumont Cornish Limited  
29 Wilson Street  
London  
EC2M 2SJ (Telephone 020 7628 3396)

### Auditors and Reporting Accountants

Saffery Champness  
Lion House  
Red Lion Street  
London  
WC1R 4GB

**Solicitors**

Blake Morgan LLP  
Bradley Court  
Park Place  
Cardiff  
CF10 3DR

**Bankers**

National Westminster Bank plc  
50 High Street  
Egham  
Surrey  
TW20 9EU

**Registrars**

Neville Registrars  
Neville House  
18 Laurel Lane  
Halesowen  
B63 3DA (Tel: 0121 585 1131)

## PART I

# LETTER FROM THE INDEPENDENT DIRECTOR OF GENERAL INDUSTRIES PLC

### GENERAL INDUSTRIES PLC

(Registered in England under the Companies Act 2006, Registered No. 8988813)

*Existing Directors:*

J R Wollenberg,                      *Chairman*  
D A Whitaker,                      *Finance Director*  
D M Joseph,                      *Non-Executive Director*  
J C Zitron,                      *Non-Executive Director*

*Registered Office:*

56 Station Road  
Egham  
Surrey  
TW20 9LF

20 July 2015

To the holders of Existing Ordinary Shares

Dear Shareholder,

**Proposed Acquisition of Altair Consultancy and Advisory Services Limited**

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

**Admission of the Enlarged Share Capital to the Official List (by way of Standard Listing under Chapter 14 of the Listing Rules) and to trading on the London Stock Exchange's Main Market for listed securities**

**and**

**Notice of General Meeting**

### 1. Introduction

I am writing to you as the Independent Director, as all your other Existing Directors have an interest in the Proposals as members of the Concert Party.

The Company announced on 20 July 2015 that it had conditionally agreed to acquire the entire issued share capital of Altair from the Sellers, the consideration for which is £6,572,000 to be satisfied by the issue and allotment to the Sellers of the Consideration Shares at the Closing Price. The Acquisition is conditional, *inter alia*, upon Admission and should it complete, the Enlarged Group will become an independent consultancy and advisory company providing advice to a range of public, charitable and private organisations involved in the provision of affordable and market rent housing.

The purpose of this Document is to explain the background to and reasons for the Acquisition, which is in line with the Company's strategy. The Acquisition, if completed, will constitute a Reverse Takeover under the Listing Rules because of the size of Altair in relation to that of the Company and the fact that it will give rise to a fundamental change to the business, board composition and voting control of the Company resulting in the Company becoming an operating company. The Company indicated in its Original Prospectus that it would seek Shareholder approval for a Reverse Takeover despite this not being a specific requirement of the Listing Rules.

Shareholder approval is also required under the Takeover Code to approve the Code Waiver. Following the implementation of the Proposals, certain Shareholders of the Enlarged Group who are deemed to be acting in concert, the Concert Party, will in aggregate hold 23,594,973 Ordinary Shares representing 74.90 per cent. of the Enlarged Share Capital and assuming full exercise of the Unapproved Options (which can be exercised immediately following Admission) and the Rollover Options (which can be exercised in tranches as from 1 April 2016) by the Concert Party, its interest in the Diluted Enlarged Share Capital would be 76.71 per cent. The Concert Party comprises the Altair Directors, being Fiona Underwood, Steven Douglas, Christopher Wood, Susan Kane, Jeff Zitron and Derek Joseph as well as Richard Wollenberg and his

Connected Persons acting in concert with him, being Christie Wollenberg, Stephanie Wollenberg, Rosanna Wollenberg, Lynda Wollenberg and The Cardiff Property Plc, the company controlled by the Wollenberg family.

Without the waiver of the obligation under Rule 9 of the City Code, issue of the Consideration Shares and/or exercise of the Unapproved Options and the Rollover Options granted to the members of the Concert Party would require the members of the Concert Party to make a general offer for the entire issued and to be issued share capital of the Company not already held by them. The Panel has agreed with the Company to grant such a waiver, subject to the passing at the General Meeting by Independent Shareholders (being Shareholders other than the members of the Concert Party) of the Whitewash Resolution, to be taken on poll.

Accordingly, a General Meeting of the Company is being convened at which resolutions will be proposed, *inter alia*, to approve the Acquisition, the issue and allotment of the Consideration Shares issue of the Unapproved Options and the Rollover Options and the Code Waiver. The Resolutions are set out in full in the notice of General Meeting at the end of this Document and are summarised in paragraph 14 of this Part I below.

Your attention is drawn to the information set out in Parts II to VIII of this Document, which contain important information in relation to the Proposals. The attention of Shareholders is also drawn to the sections entitled “Forward Looking Statements” on page 22 of this Document.

## **2. Background to and reasons for the Acquisition and the Enlarged Group’s Strategy**

### **2.1 Background**

The Company was admitted to the standard listing segment of the Official List with trading becoming effective on the Main Market with effect from 28 August 2014, having raised approximately £950,000 to pursue its strategy. This strategy involved the investigation of a number of opportunities to acquire a business which requires further funding for expansion in conjunction with a public quotation for its shares on terms which should prove beneficial to existing Shareholders, management, employees and shareholders of the business being acquired. The Directors also stated that they would consider a series of acquisitions within a specific business sector where businesses of the same nature would benefit from a group structure and that they intended to investigate potential targets in the services sector.

The Company has now identified the Acquisition for which it is prepared to pay £6,572,000 to be satisfied by the issue of the 21,200,000 Consideration Shares, which when issued will represent approximately 67.30 per cent. of the Enlarged Share Capital. The Directors believe that the Acquisition is within the Company’s strategy and is in a sector in which further acquisitions may be considered.

### **2.2 Reasons for the Acquisition and the Enlarged Group’s Strategy**

The Existing Directors believe there is a strong and growing market for the provision of high quality specialist consultancy services to Local Authorities, Housing Associations, charities, property companies, regulators and government departments operating in the provision of affordable housing, market rent and home ownership initiatives. The continuing shortage of affordable housing in the United Kingdom, increasing population and demographic issues drive and will continue to drive demand for more complex solutions for projects and investments within that sector and these initiatives will require carefully prepared management models and support from professional advisers.

Currently, the consultancy market is fragmented between the major audit firms working on large scale contracts and a number of smaller privately owned specialist providers. Altair being one of the largest specialists is in an ideal position to provide a platform for organic growth and consolidation. Through the Acquisition it will become a listed consultancy company specialising in the sector with opportunities for expansion and development. The listing will not only enhance the profile of the Enlarged Group and its activities, but by being a profitable listed specialist provider in the sector with a strong balance sheet the Enlarged Group will:

- remain a valuable partner for existing providers

- attract new customers
- through the range and quality of assignments attract best experts in the field
- be able to recruit and retain appropriately skilled staff by offering attractive packages including participation in share option schemes enabling them to participate in the success of the Enlarged Group
- have the ability to acquire existing successful companies in the sector by being able to offer quoted shares on arrangements where the consideration partly reflects the future contribution of the business
- be able to develop specialist consultancy products for the sector, some of which have already been identified by the Altair team, by using the Enlarged Group's cash balances
- have access to raising equity should further funds be required for acquisitions or any future organic development beyond the Enlarged Group's present plans.

Information relating to Altair and its business is set out in paragraph 1.2 of Part II of this Document.

### **3. Terms and conditions of the Acquisition**

The Share Purchase Agreement was entered into on 20 July 2015 pursuant to which the Sellers have conditionally agreed to sell and the Company has conditionally agreed to purchase the entire issued share capital of Altair.

A summary of the principal terms and conditions of the Acquisition are set out in paragraph 1 of Part III of this Document.

### **4. Summary Financial Information**

Financial information relating to the Company and a pro forma balance sheet of the Enlarged Group immediately following completion of the Acquisition is set out in Part IV A, C and E of this Document.

The financial information relating to Altair is set out in Part IV B and D of this Document.

### **5. Risk Factors**

The material risks which the Existing Directors consider that you should take into account when considering whether to vote in favour of the Resolutions, are set out under "*Risk Factors*" on pages 16 to 18 of this Document.

### **6. Directors and Senior Management**

Upon completion of the Acquisition, David Whitaker, Finance Director of the Company, will resign from the Board and the two Proposed Directors, Steven Douglas and Dr Fiona Underwood, will be appointed to the Board as joint chief executive officers. Accordingly, the Board of Directors on Admission will comprise of:

J C Zitron – Non-Executive Chairman  
 S F Douglas – Joint Chief Executive  
 F M Underwood – Joint Chief Executive  
 D M Joseph – Finance Director  
 J R Wollenberg – Non-Executive Director

Brief biographies of the Directors on Admission together with information on Senior Managers are set out in paragraph 2 of Part II of this Document. Paragraph 9 of Part VI of this Document contains further details of directorships and partnerships, and certain other important information regarding the Directors.

### **7. Current trading, strategy and prospects**

The strategy of the Enlarged Group is set out in paragraph 3 of Part II of this Document.

## **8. Rule 9 of the Takeover Code**

The Acquisition, and in particular the issue by the Company of the Consideration Shares to the Sellers, gives rise to certain considerations under the City Code. Brief details of the Panel, the Takeover Code and the protections they afford are set out below.

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

Under Rule 9 of the City Code, a person who acquires, whether by a series of transactions over a period of time or not, shares which (taken together with securities in which he is already interested and 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 Takeover Code, the person is normally required by the Panel to make a general offer to all the remaining shareholders of that company to acquire their shares. Similarly, when any person individually or a group of persons acting in concert, already holds interests in securities which in aggregate carry not less than 30 per cent. of the voting rights of such a company but does not hold shares carrying more than 50 per cent. of such voting rights, that person may not normally acquire further securities without making a general offer to the shareholders of that company to acquire their shares. An offer under Rule 9 must be in cash and at the highest price paid by the person required to make an 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 Takeover Code, a “concert party” arises, *inter alia*, 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 Takeover Code, control means an interest, or interests, in shares carrying in aggregate 30 per cent. or more of the voting rights of a company, irrespective of whether such interest or interests give de facto control. In this context, voting rights means all the voting rights attributable to the capital of the company which are currently exercisable at a general meeting. The Takeover Code also states that, directors of a company will be presumed to be acting in concert with the company of which they are a director. Accordingly for the purposes of the Takeover Code, the Altair Directors, together with their respective Connected Persons and other parties acting in concert with them, form the Concert Party. Full details of the Concert Party and their respective interests in relevant securities are set out in Part VII of this Document.

### ***Maximum potential controlling position***

As at the date of this Document the members of the Concert Party currently interested in the Company’s Existing Ordinary Shares are three of the Existing Directors, namely, Derek Joseph, Jeff Zitron and Richard Wollenberg along with his Connected Persons who in aggregate own 5,082,001 Ordinary Shares representing 49.34 per cent. of the Existing Share Capital. In addition, subject to Shareholder approval at the General Meeting, as from Admission, these three Existing Directors will hold Replacement Unapproved Options which shall entitle them to subscribe in aggregate for a further 1,124,000 Ordinary Shares in the Company which can be exercised immediately following Admission. It is also proposed that subject to, *inter alia*, completion of the Acquisition and Admission, the other Altair Directors who are members of the Concert Party, will be granted with New Unapproved Options entitling them to subscribe in aggregate for 1,360,000 Ordinary Shares which can also be exercised immediately following Admission. In addition, as from Admission, these Altair Directors will also hold Rollover Options entitling them to subscribe in aggregate for 1,100,200 Ordinary Shares in the Company. The Rollover Options can be exercised in tranches from 1 April 2016.

Beaumont Cornish considers that the terms of the proposed Replacement Unapproved Options as well as the New Unapproved Options and the Rollover Options to be issued to the members of the Concert Party and as described above to be fair and reasonable in so far as the Independent Shareholders are concerned.

**Following completion of the Acquisition and on Admission the members of the Concert Party will, in aggregate, be interested in 23,594,973 Ordinary Shares in the Company representing 74.90 per cent. of the Enlarged Share Capital, and, should the Concert Party exercise in full all Options held by them, its aggregate interest in the Diluted Enlarged Share Capital would be 76.71 per cent. The interest of the Concert Party on completion of the Proposals will be as follows:**

<i>Concert Party Member</i>	<i>As at the date of this Document</i>			<i>On Admission</i>						
	<i>Number of Existing Ordinary Shares</i>	<i>Number of existing unapproved options</i>	<i>Percentage of Existing Ordinary Shares</i>	<i>Number of Ordinary Shares held on completion of the Acquisition</i>	<i>Percentage of Enlarged Share Capital</i>	<i>Number of Replacement Unapproved Options</i>	<i>Number of New Unapproved Options</i>	<i>Number of Rollover Options</i>	<i>Number of full exercise of all Options</i>	<i>Percentage of the Diluted Enlarged Share Capital assuming full exercise of all Options</i>
Fiona Underwood	0	0	0	3,279,440	10.41%	0	340,000	275,050	3,894,490	10.99%
Steven Douglas	0	0	0	3,279,440	10.41%	0	340,000	275,050	3,894,490	10.99%
Chris Wood	0	0	0	3,279,440	10.41%	0	340,000	275,050	3,894,490	10.99%
Susan Kane	0	0	0	3,279,440	10.41%	0	340,000	275,050	3,894,490	10.99%
Jeff Zitron	1,000,000	300,000	9.71%	2,798,403	8.88%	300,000	0	0	3,098,403	8.75%
Derek Joseph	1,072,000	309,000	10.41%	2,870,403	9.11%	309,000	0	0	3,179,403	8.97%
Richard Wollenberg	1,610,001	515,000	15.63%	1,969,682	6.25%	515,000	0	0	2,484,682	7.01%
Christie Wollenberg	100,000	0	0.97%	459,681	1.46%	0	0	0	459,681	1.30%
Stephanie Wollenberg	100,000	0	0.97%	459,681	1.46%	0	0	0	459,681	1.30%
Rosanna Wollenberg	100,000	0	0.97%	459,681	1.46%	0	0	0	459,681	1.30%
Lynda Wollenberg	100,000	0	0.97%	459,681	1.46%	0	0	0	459,681	1.30%
The Cardiff Property Plc	1,000,000	0	9.71%	1,000,000	3.17%	0	0	0	1,000,000	2.82%
<b>TOTALS:</b>	<b>5,082,001</b>	<b>1,124,000</b>	<b>49.34%</b>	<b>23,594,972</b>	<b>74.90%</b>	<b>1,124,000</b>	<b>1,360,000</b>	<b>1,100,200</b>	<b>27,179,171</b>	<b>76.71%</b>

The Panel on Takeovers and Mergers has agreed to waive the obligation of the members of the Concert Party to make a general offer that would otherwise arise as a result of the acquisition of Consideration Shares pursuant to the Share Purchase Agreement or upon any subsequent exercise of the Options to subscribe for Ordinary Shares which have been granted to them as described in this paragraph above. Accordingly, the Whitewash Resolution seeks to waive the requirement under Rule 9 of the Takeover Code that the Concert Party having acquired a shareholding and percentage of Voting Rights exceeding 30 per cent., must make a general cash offer to all the remaining Shareholders to acquire their shares. In accordance with the Takeover Code, the Whitewash Resolution (Resolution 3) is being proposed at the General Meeting to approve this Waiver and will be taken on poll. No member of the Concert Party will be entitled to vote on the Whitewash Resolution and accordingly no member of the Concert Party will do so. The Panel confirmation to waive the obligation of the Concert Party under Rule 9 has been given on the basis that the consequences of such an exercise have been fully disclosed in this Document.

**On completion of the Acquisition, the Concert Party will hold more than 50 per cent. of the voting share capital of the Company and may be able to increase its aggregate shareholding in the Company without incurring any obligations under Rule 9 to make a general offer to the Company's other Shareholders. Under the Takeover Code, whilst each member of the Concert Party continues to be treated as acting in concert, each member will be able to increase further his respective percentage shareholding in the voting rights of the Company without incurring an obligation under Rule 9 to make a general offer to Shareholders to acquire the entire issued share capital of the Company. However individual members of the Concert Party will not be able to increase their percentage shareholding through or between a Rule 9 threshold without the consent of the Panel. In the event that the Waiver is approved at the General Meeting, the Concert Party (or its Connected Persons or other persons acting in concert with it) will not be restricted from making an offer for the Company.**

## **9. Intention of the Concert Party and irrevocable undertakings**

The Company is currently an investment vehicle with a cash balance of £946,207 as at 31 March 2015. Following completion of the Proposals, the business of the Company will constitute that of Altair's business and will be run from the Altair's offices at Tempus Wharf, 29a Bermondsey, Wall West, London SE16 4SA. The Enlarged Group will focus on the organic development of the independent consultancy and advisory business providing advice to a range of public, charitable and private organisations involved in the provision

of affordable and market rent housing. The Concert Party is not intending to seek any changes to the Board other than as described in paragraph 6 of this Part I. The Company has no fixed assets and save for the Existing Directors, the Company has no employees. As such, the Concert Party is also not intending to prejudice the existing employment rights, including pension rights, of any of the employees or management of the Enlarged Group nor to take any steps to amend the Company's share trading facilities in force at the date of this Document.

Although it is not mandatory in respect of companies listed on the standard listing segment of the Official List to do so, the Company, members of the Concert Party and Beaumont Cornish have entered into a Relationship Agreement and Lock-in Agreements dated 20 July 2015, which govern the relationship between the Company and the Concert Party and the acquisition and disposal and dealings in Ordinary Shares following Admission by members of the Concert Party. Further details of the Relationship and Lock-in Agreements are set out in paragraph 2 of Part III of this Document.

The only Independent Director, David Whitaker, who will be able to vote on the Whitewash Resolution (Resolution 3), has irrevocably committed to the Company and Beaumont Cornish to vote in favour of all the Resolutions, including the Whitewash Resolution, in respect of his holding of 268,000 Ordinary Shares representing 2.6 per cent. of the Existing Share Capital. Messrs Richard Wollenberg, Derek Joseph and Jeff Zitron, being the other Existing Directors, will not be permitted to vote on the Whitewash Resolution due to their membership of the Concert Party and accordingly they have irrevocably committed to the Company and Beaumont Cornish to vote in favour of the other Resolutions, in respect of their (and their connected persons') aggregate holdings of 5,082,001 Ordinary Shares representing approximately 49.34 per cent. of the Existing Ordinary Shares.

#### **10. Proposed Share Options**

Subject to the approval of the Shareholders the Company intends to grant the Replacement Unapproved Options to the Existing Directors and New Unapproved Options, to certain Proposed Directors and Altair Directors as more particularly detailed in paragraphs 7.1 to 7.5 of Part VI of this Document.

In addition, as from Admission 20 Eligible Employees including the Altair Directors will hold Rollover Options entitling them to subscribe in aggregate for a total of 1,713,772 Ordinary Shares at £0.05 per share in the Company. Further details of the Rollover Options are set out in paragraph 7.6 (b) of Part VI of this Document.

Subject to the approval of the Shareholders, the Company also intends to establish an employee option scheme on the terms described in paragraph 7.6 of Part VI of this Document.

#### **11. Dividend Policy**

Details of the Company's dividend policy are set out in paragraph 6 of Part II of this Document.

#### **12. Taxation**

General information relating to UK taxation with regards to the Admission and the Subscription is summarised in Part V of this Document. **A Shareholder who is in any doubt as to his or her tax position, or is subject to tax in a jurisdiction other than the UK, should consult his or her professional advisers immediately.**

#### **13. Further information**

Your attention is drawn to the additional information set out in Part VI of this Document.

#### **14. General Meeting**

At the end of this Document you will find a notice convening a General Meeting, which is to be held at 1.00 p.m. on 19 August 2015 at Tempus Wharf, 29a Bermondsey, Wall West, London, SE16 4SA. A summary of the action you should take is set out in paragraph 15 of this Part I and in the form of proxy that accompanies this Document.



The purpose of the General Meeting is to consider and, if thought fit, pass the Resolutions, in each case as set out in full in the notice of General Meeting. Resolutions 1 to 5 inclusive will be proposed as ordinary resolutions and Resolutions 6 and 7 will be proposed as special resolutions of the Company and each Resolution will be inter-conditional upon the others having been validly passed:

***Ordinary Resolutions:***

Resolution 1: to approve the Acquisition, subject to the remaining Resolutions being passed;

Resolution 2: to authorise the Directors to issue and allot the Consideration Shares, the Option Shares, shares to be issued on valid exercise of any options granted under the Employee Share Scheme and, in addition, up to a further 10,500,000 Ordinary Shares;

Resolution 3: (which will be taken on a poll of Independent Shareholders present and by proxy voting at the Meeting) to approve the Waiver of any obligation which might otherwise arise under Rule 9 of the City Code for the Concert Party to make a general offer for the Company as a result of the Acquisition (Shareholders should note that members of the Concert Party will not be permitted to vote on this Resolution 3);

Resolution 4: to approve the issue of the Unapproved Options, being the Replacement Unapproved Options together with the New Unapproved Options;

Resolution 5: to approve the creation of the Employee Share Scheme;

***Special Resolutions:***

Resolution 6: to disapply statutory pre-emption rights in respect of the issue and allotment for cash of Ordinary Shares pursuant to (a) a rights issue and (b) valid exercise of the Options and any options granted pursuant to the Employee Share Scheme and (c) in addition, up to a further 1,575,000 Ordinary Shares; and

Resolution 7: to authorise the Company to make certain market purchases of up to 4,724,999 Ordinary Shares.

**15. Actions to be taken in relation to the General Meeting**

Shareholders will find enclosed a form of proxy for use at the General Meeting. Whether or not you intend to be present at the General Meeting, you are requested to complete and return the form of proxy in accordance with the instructions printed therein so as to be received as soon as possible by the Company to **56 Station Road, Egham, Surrey, TW20 9LF** but, in any event, so that it is received no later than 1.00 p.m. on 17 August 2015. The completion and return of a form of proxy will not preclude you from attending and voting in person at the meeting, if you so wish.

**16. Recommendation**

**I, being the Independent Director, am of the opinion that the Resolutions are in the best interest of the Company and its Shareholders as a whole. Accordingly, I recommend that Shareholder vote in favour of each of the Resolutions.**

**In relation to the Waiver, I, being the Independent Director, having been so advised by Beaumont Cornish, believe that the Whitewash Resolution and the Proposals as a whole are fair and reasonable and in the best interest of the Independent Shareholders and the Company. In providing advice, Beaumont Cornish has taken into account the Independent Director's commercial assessment. Accordingly, the Independent Director recommends that the Independent Shareholders vote in favour of the Whitewash Resolution to approve the Rule 9 Waiver. It should be noted that the other Existing Directors will not be voting on Resolution 3 due to their membership of the Concert Party.**

Yours faithfully

**D A Whitaker**  
*Independent Director*

## PART II

### INFORMATION ON THE ENLARGED GROUP

#### 1. Introduction

The Enlarged Group will be formed following the Acquisition of Altair by the Company.

The Company is as an investment vehicle with a standard listing whose shares were admitted to trading on the London Stock Exchange's Main Market on 28 August 2014.

Altair is an unlisted company involved in the provision of independent consultancy and advisory services to a wide variety of organisations in the housing, voluntary, local government and private sectors. It has offices in London and presence in Cardiff and Dublin.

#### 1.1 *Information about the Company*

##### *Background and history*

The Company was incorporated on 9 April 2014 as an investment vehicle to identify and complete an acquisition of a company or business in the services sector which requires further funding for expansion in conjunction with a public quotation for its shares which would prove beneficial to the existing Shareholders, management, employees and shareholders of the business being acquired. The Company's Existing Ordinary Shares were admitted to the Official List of the UK Listing Authority by way of a Standard Listing and to the London Stock Exchange's Main Market for listed securities on 28 August 2014. At that time the Company owned no assets other than cash on bank deposit of approximately £960,000.

The Company has now identified the Acquisition for which, subject to Shareholders' approval of the Resolutions and Admission, it is prepared to pay £6,572,000 to be satisfied by the issue to the Sellers of the Consideration Shares at the Closing Price, which when issued will represent approximately 67.30 per cent. of the Enlarged Share Capital.

#### 1.2 *Information about Altair*

##### *Background and history*

Altair was founded by A Coulson and I Cowley and registered in England and Wales (No. 07463003) as a private limited company on 7 December 2010 with an issued share capital of £2.00 divided into 2 subscriber shares of £1.00 each. Altair did not trade while A Coulson and I Cowley were shareholders and their shares were later transferred to S Kane and F M Underwood who became the founding executives receiving a further 149 ordinary shares each in the capital of Altair. Subsequently a further 320 ordinary shares were issued to other investors when Altair began trading on 1 February 2011.

On 1st April 2011, C Wood and S Douglas, from Douglas Wood Limited, joined Altair as executives and each received 150 ordinary shares in Altair; Douglas Wood Limited was then wound up. A further 16 ordinary shares were issued over the summer of 2011, when other senior employees joined Altair.

In March 2015, holders of Altair loan stock were given the option of converting the outstanding loan stock into Altair ordinary shares. The majority chose to convert which resulted in 37 Altair ordinary shares being issued with the remaining loan stock being repaid.

On 29 May 2015 a total of 29 ordinary shares of £1.00 each in the capital of Altair were issued to 24 employees and shareholders at the price of £5,289 each raising £153,381.

Altair's registered and business office address is at Tempus Wharf, 29A Bermondsey Wall West, London, SE16 4SA.

### *Business*

Altair is involved in the provision of independent consultancy and advisory services to a range of public and private housing organisations. Altair helps manage complex and diverse organisations through periods of significant change, driving service improvement and delivering creative solutions. Altair's traditional client base includes registered social landlords, housing action trusts and local authorities, although the client base also includes government departments, statutory bodies, financial institutions and other private commercial institutions.

Within the housing sector, Altair provides a broad range of advisory and consultancy services to its clients covering areas such as general management, high level executive recruitment, corporate governance, financial systems, management strategy, training and raising finance. In the housing sector Altair has established contacts with the Homes and Communities Agency (the government's affordable homes investment, regeneration and regulation agency in England), GLA, Welsh Government and the Scottish Regulator. Altair's services also cover the application of the government's private finance initiative to social housing and also local government initiatives encouraging the transfer of public sector housing to independent vehicles.

Altair has an office in London and a presence in Cardiff and Dublin, and has provided services to over 200 organisations across the public and private sectors. Altair's clients include:

- Local authorities, including the London Boroughs of Ealing, Redbridge, Westminster, Waltham Forest and Newham. Altair has supported and advised on strategic housing services, performance improvement, self-financing and local authority development.
- A number of private sector developers. Altair has given advice on the structuring of joint ventures with Registered Providers and the management of major regeneration schemes.
- Care and support providers. Altair's work covers the commissioning of new schemes, service charge reviews, financial modelling and growth strategies.
- Registered Providers and housing associations throughout the United Kingdom. Some recent projects with these clients cover board and executive recruitments, interim director placements, board facilitation and strategy development, independent governance investigations, financial modelling and business planning, temporary housing portfolio reviews and growth strategies.

Almost all of Altair's clients are registered social landlords or other large organisations, as a result of which bad debts are insignificant and rare, and Altair is not reliant upon any one customer.

### *Altair Employees*

Altair satisfies its personnel requirements through a combination of full time staff and freelance consultants. As at the date of this Document, a total of 26 persons were employed by Altair, including its executive directors. In addition, Altair used the services of approximately 18 freelance consultants on a regular basis. Although it is intended that some of the freelance consultants become full time employees of Altair after Re-Admission, the Altair Directors intend to continue using outside consultants on an ad hoc basis in order to work on specialist assignments.

## **2. Directors and senior management on Admission and their biographies**

### **2.1 *On Admission, the Directors and their functions will comprise:***

**Jeffrey Curtis Zitron**, *Non-Executive Chairman* (date of birth 27 September 1954, aged 60)

Mr Zitron is the Chairman of Altair and has worked in housing and regeneration for most of his career. He has significant experience of working directly for housing associations and local authorities as well as advising them as an independent consultant.

Mr Zitron was a director at the successful quoted housing consultancy HACAS Group plc before it was bought by Tribal Group. At Tribal, Mr Zitron remained as a non-executive Chairman of the group's housing practice, before leaving in 2006.

As a consultant, Mr Zitron developed significant experience advising clients on a wide range of issues, such as the funding and delivery of major investment projects. He is one of the sector's leading thinkers and has published a number of books and papers on issues ranging from regulation to PFI projects.

Mr Zitron now holds a range of non-executive positions. He is also Chairman of TIAA, the internal audit and business assurance company, and a council-nominated board member of Kensington and Chelsea Tenant Management Organisation. He was an NHS Primary Care Trust Chairman for five years, Chairman of Soho Housing Association for six years and a board member of the Hammersmith and Fulham ALMO for three years.

**Steven Franklyn Douglas**, *Joint Chief Executive Officer* (date of birth 15 June 1964, aged 51)

Mr Douglas' areas of expertise are recruitment and interim management lead, organisational change management, leadership and strategic advice, and affordable housing.

Mr Douglas, who has a degree in Politics, Philosophy and Economics from Oxford University, began his career in housing as an intern at the New York City Department of Planning and Urban Development. Since then, he has held a number of senior regeneration and development positions, as well as being chief executive at two housing associations and the Housing Corporation.

As chief executive of the Housing Corporation, Mr Douglas headed the agency, which had responsibility for an £8.4 billion three-year budget to deliver 155,000 affordable homes and regulate England's 1,500 housing associations. He led on the creation of the National Affordable Homes Programme and the introduction of private sector organisations delivering affordable homes.

Mr Douglas' experience includes:

- New York City Department of Planning & Urban development, Intern.
- Spitalfields CHA, Chief Executive.
- Asra Greater London HA, Chief Executive.
- The Housing Corporation, Chief Executive.
- AmicusHorizon, Current Vice Chairman.
- Richmix-Arts and Culture Foundation – Trustee
- Commonweal-Social Justice charity – Trustee.

**Dr Fiona May Underwood**, *Joint Chief Executive Officer* (date of birth 15 September 1962, aged 52)

Dr Underwood's areas of expertise include advising and facilitating strategic and corporate reviews, leading possible merger discussions, understanding and solving complex governance issues, organisational development and restructuring, mentoring board members and executives, project managing change programmes, programme managing mergers and general business improvement.

Dr Underwood has a track record of success in supporting clients dealing with challenging circumstances in a number of sectors. Her work within the housing and voluntary sectors has focused on working with boards and executive teams.

Dr Underwood also has experience within the private sector of mergers (through acquisition) and leading large-scale transformation and change management programmes.

Dr Underwood's experience includes:

- Tribal plc. Managing Director, Housing, Regeneration and Local Government
- Tribal plc. Director of Strategy, Housing Practice

- Independent Consultant
- KPMG, Senior Business Advisor
- CBI, Head of Competitiveness and Business Performance
- CBI, Head of Manufacturing Industries and Technology
- BAE Systems, Various

**Derek Maurice Joseph, BCom, FCIS, Finance Director** (date of birth 10 December 1949, aged 65)

Mr Joseph has extensive experience in the services sector and was the Managing Director for over 25 years of HACAS Group plc a quoted consultancy company providing services including outsourcing to companies, to Local Authorities, Housing Associations and Charities.

The HACAS group grew through a series of acquisitions and organic growth and in 2003 Mr Joseph successfully negotiated the sale of HACAS to Tribal Group plc, a company listed on the Main List for an approximate consideration of £45 million. Following the sale of HACAS, he was a director of the Treasury Services Consultancy.

Mr Joseph acts as a non-executive and part-time executive director of a number of property, financial and business incubator companies. These include Basepoint, a major provider of enterprise centres throughout the Midlands and South Regions of England, a previously quoted company where he led a refinancing and return to the private sector. Included in this portfolio is being Chairman of MESH Ltd, a joint venture vehicle developing and marketing packages for the management of broadband and telephone systems for business centres. He is Chairman of A2Dominion Housing Group, one of the largest housing associations owning and managing over 38,000 homes, and a Trustee of the London Housing Foundation and the Theatre Royal Stratford East.

During his working career, Mr Joseph has advised and project managed for European governments and cities, UK government departments, Local Authorities, Housing Associations, commercial property companies, investors and financial institutions.

Mr Joseph's publications include:

- Report on the effectiveness of financial management of housing associations for the National Audit Office
- Author or co-author of three books on the future financing of housing associations in the United Kingdom
- Author of a number of research reports for government departments, regulating authorities, trade bodies and universities
- Editor and later guest editor of Social Housing magazine

**John Richard Wollenberg, Non-Executive Director** (date of birth 28 August 1948, aged 66)

Mr Wollenberg is Chairman and Chief Executive of the Cardiff Property PLC, a quoted property investment and development company. Since his appointment in 1981 he has substantially increased the asset base of the company. Over the past 25 years he has been actively involved in numerous corporate acquisitions, mergers and capital reorganisations of public and private companies, very many of which were in the services sector. Between 1981 and 1996 he was an investment consultant with Brown Shipley Stockbroking Ltd. Mr Wollenberg has considerable experience and an excellent track record of admitting investment vehicles to the market and then negotiating successful Reverse Takeovers by them. Some of the transactions he has successfully negotiated are:

- in January 1997, as Chairman of BDA Holdings PLC he successfully completed a Reverse Takeover of Edge Properties PLC subsequently acquired by Grantchester plc;

- in 1998, following the admission of an investment vehicle to market he negotiated the Reverse Takeover of HACAS Limited, a social housing consultancy subsequently taken over in 2003 by Tribal plc;
- in 2000, again following the admission of an investment vehicle to market he successfully negotiated the acquisition, by Reverse Takeover, of Celltalk Limited, a mobile phone provider. The company was restructured in 2006 and, again by Reverse Takeover, acquired Kiwara Resources Limited, a mining exploration company which was subsequently taken over in 2011 by First Quantum Minerals.
- in 2006, again following the admission of an investment vehicle to market he was instrumental in the acquisition, by Reverse Takeover, of ImmuPharma AG, a pharmaceutical and research development group currently quoted on AIM;
- in 2011 again following the admission of an investment vehicle to market he negotiated the acquisition, by Reverse Takeover, of Galileo Resources Limited, a mining exploration company, currently quoted on AIM of which he remains a non-executive director.

2.2 ***On Admission, Senior Managers, being the other Altair Directors, and their functions will be as follows:***

**Susan Margaret Kane**, *Lead Director – Finance and Treasury* (date of birth 26 January 1962, aged 53)

Ms Kane's areas of expertise include business planning and financial forecasting (using a variety of computer modelling tools), finance health checks and reviews, risk management, exit strategy formulation, project rescue, treasury management and capital financing, and project appraisal.

Ms Kane has significant finance and corporate experience in the consulting, Local Authority, Housing Association and voluntary sectors advising and supporting a broad range of clients with their strategic ambitions and financial business plans. She has assisted organisations during mergers and helped them to develop plans to strengthen and grow their organisations.

Corporately Ms Kane has substantial experience in leading both specialist and diverse teams and building and developing business.

Prior to working in consultancy, Ms Kane was Treasury and Corporate Services Manager for a London-based housing association where she gained substantial experience of corporate strategy, treasury management, investment and capital financing, strategic business and financial planning. She also has experience of operating at Director level in both Finance and Development.

Ms Kane's experience includes:

- Altair Consultancy and Advisory Services Limited, Founder and Executive Director
- Tribal Consulting, Head of Financial Consulting and later Housing Market Director
- HACASChapmanHendy, Consultant and later Senior Manager
- Threshold Housing
- London Borough of Southwark

**Christopher Wood**, *Lead Director – Property* (date of birth 5 March 1959, aged 56)

Mr Wood's areas of expertise include development, regeneration and commercial sectors. He also offers a wealth of experience, and expertise in, major project management and leadership of complex organisations through periods of growth and change.

In recent assignments, Mr Wood has assisted a range of Housing Associations, and private sector development and property related companies with new business opportunities. He has also worked

with Local Authorities on strategic regeneration planning, asset management and capital programme delivery.

Prior to a career in consultancy Mr Wood has a background in the local government sector. He held director of housing posts in two London boroughs and was deputy CEO and latterly CEO of the London Borough of Newham. At Newham, Mr Wood led the Borough's contribution to the 2012 Olympic Games and the development of Stratford City. He was the architect of London's largest estate-based regeneration scheme at Canning Town.

During his time at Newham, Mr Wood led a number of pioneering housing special purpose vehicles including establishing the first urban regeneration company. He also worked on a number of local asset-backed vehicles and pathfinder housing PFI schemes.

Mr Wood currently has Non-Executive Director roles with Anchor Housing Trust; Sahara Homes (a private sector provider of residential care for adults with learning disabilities); Fair Finance (a social enterprise operating in the personal finance field) and Meridian Homestart (a housing company wholly owned by the Royal Borough of Greenwich).

Mr Wood's experience includes:

- London Borough of Newham, Chief Executive
- Ealing Homes, Chief Executive
- London Borough of Greenwich, Interim Director of Neighbourhood Services

### **3. The Enlarged Group's trading, strategy and prospects**

The Company is currently an investment vehicle with a cash balance of £946,207 as at 31 March 2015. Following completion of the Acquisition of Altair, the Enlarged Group will focus on the development of the independent consultancy and advisory business providing advice to a range of public, charitable and private organisations involved in the provision of affordable and market rent housing.

For the year ended 31 March 2015 Altair reported revenue of approximately £4,074,257 representing an increase of 43.6 per cent. compared to £2,838,400 in 2014 which was in line with expectations of the Altair Directors. The revenue growth was driven mainly by the consultancy side of the business which saw growth of c. £280,000 in this period and a slightly slower growth of c. £58,000 in revenue from providing interim personnel to clients.

The Existing Directors believe there is a strong and growing market for the provision of high level specialist consultancy services to Local Authorities, Housing Associations, charities, property companies, regulators and government departments operating in the provision of affordable housing, market rent and low cost home ownership initiatives. The continuing shortage of affordable housing in the United Kingdom, increasing population and demographic issues drive and will continue to drive demand for more complex solutions for projects and investments within that sector and these initiatives will require carefully prepared management models and support from professional advisers.

Currently, the consultancy market is fragmented between the major audit firms working on large scale contracts and a number of smaller privately owned specialist providers. Altair being one of the largest specialist is in an ideal position to provide a platform for both organic growth and consolidation. Through the Acquisition it will become a listed consultancy company specialising in the sector with opportunities for expansion and development. The listing will not only enhance the profile of the Enlarged Group and its activities, but by being a profitable listed specialist provider in the sector with a strong balance sheet the Enlarged Group will:

- remain a valuable partner for existing providers
- attract new customers
- through the range and quality of assignments attract best experts in the field
- be able to recruit and retain appropriately skilled staff by offering attractive packages including participation in share option schemes enabling them to participate in the success of the Enlarged Group

- have the ability to acquire existing successful companies in the sector by being able to offer quoted shares on arrangements where the consideration partly reflects the future contribution of the business
- be able to develop specialist consultancy products for the sector, some of which have already been identified by the Altair team, by using the Enlarged Group's cash balances
- have access to raising equity should further funds be required for acquisitions or any future organic development beyond the Enlarged Group's present plans.

There is general agreement by politicians, government departments, Local Authorities and the house building industry that the rate of housing construction in the United Kingdom has not kept pace with population or demand. Estimates vary that the shortfall is in the range of between 100,000 to 250,000 new homes per annum. To encourage more house building, government has instigated a programme of new transport infrastructure e.g. cross-rail as well as initiatives to help first time buyers purchase new homes either by assisting with deposits e.g. the recently announced first time buyers ISA or mortgage loan guarantees. Other initiatives to encourage more liberal planning for house building and the announcement of the creation of a number of new towns sometimes referred to as garden cities.

The shortfall in housing supply has tended to increase the market price of housing and land, particularly in the south east of England. This has increased the need for affordable homes especially for working people on lower incomes. Central government and Local Authorities have announced plans to increase the number of affordable homes through the use of cross-subsidy from developing homes for sale by Registered Providers and the introduction of schemes to make house purchase more affordable. This results in more complex legal and financial structures for both Registered Providers and Local Authorities, particularly with the involvement of house builders and developers in joint ventures.

Registered housing providers and Local Authorities can only increase their stock of affordable homes by taking on more debt to be serviced through rents. This requires both types of organisation to take on both complex financial structures and risk which they need to manage. This is particularly true for Local Authorities, many of whom are re-entering the housing construction sector for the first time for many years.

The provision of more affordable housing if not provided by cross-subsidy requires significant capital grants so that the amount of debt can be serviced by rents. In recent years the availability of grant has been reducing and with the stated aims of government to reduce the public expenditure deficit and potential costs to be funded in the future NHS budget, the expectation of both Registered Providers and Local Authorities is that grant will be significantly rationed for the foreseeable future.

The continuing trend is for significant population growth and continuing pressure on both supply of market and affordable housing. These pressures are likely to be exacerbated with an ageing population that will require specialist housing that provides different levels of support and care.

It should be noted that the Acquisition transaction will result in consolidated accounts being prepared for interim and year end statutory reporting. Under IFRS 3, this transaction will typically be regarded as a reverse acquisition (as is also the case under the Listing Rules, but for different reasons) and as such Altair is considered the accounting acquirer (and the Company the accounting acquiree), irrespective of the legal form of the transaction.

However, the transaction will not constitute a 'Business Combination' as defined under IFRS 3 as the Company (the acquiree under IFRS 3) is not considered to be a 'business'. As such, the difference between the notional fair value of the shares issued by Altair in order for it to acquire General Industries, and the net assets of General Industries, is likely to result an accounting debit, that will be shown as an expense (deemed listing cost) in the income statement. Such a charge could have a material effect on reported earnings in the Enlarged Group's future interim and statutory financial statements.

#### **4. Corporate Governance**

The Directors intend, so far as possible given the Company's size and the construction of the Board, to comply with the UK Corporate Governance Code. The Directors have established an audit committee,



a remuneration committee and a nomination committee comprising a majority of non-executive directors. The terms of reference of these committees can be summarised as follows:

#### ***Remuneration Committee***

The Remuneration Committee will initially comprise of Jeffrey Curtis Zitron, John Richard Wollenberg and Derek Joseph and is responsible, amongst other things, for reviewing and approving the remuneration policy and the total individual remuneration packages for the executive directors of the Company and the Group, approving the rules and basis for participation in any performance related pay-schemes, share incentive schemes and pension arrangements and obtaining reliable and up-to-date information about remuneration in other companies. The Remuneration Committee shall meet at least three times a year.

#### ***Audit Committee***

The Audit Committee will initially comprise of Jeffrey Curtis Zitron, John Richard Wollenberg and Fiona Underwood and is responsible, amongst other things, for making recommendations to the Board on the appointment of auditors (and the audit fee) and monitoring and reviewing the integrity of the Company's financial statements as well as reports from the Company's auditors on those financial statements. The Audit Committee shall meet at least three times a year.

#### ***Nomination Committee***

The Nomination Committee will initially comprise of Jeffrey Curtis Zitron, John Richard Wollenberg and Steven Douglas and is responsible, amongst other things, for reviewing the structure, size and composition of the Board and ensuring that it is comprised of the right balance of skills, knowledge and experience, identifying and nominating for approval candidates to fill any vacancies on the Board as and when they arise, giving full consideration to succession planning for the Group and making recommendations as to the composition of the other committees of the Board. The Nomination Committee shall meet at least three times a year.

### **5. Model Code**

As at the date of this Document, the Directors have voluntarily adopted the Model Code for directors' dealings contained in the Listing Rules of the UK Listing Authority. The Board will be responsible for taking all proper and reasonable steps to ensure compliance with the Model Code by the Directors. Compliance with the Model Code is being undertaken on a voluntary basis and the FCA will not have the authority to (and will not) monitor the Company's voluntary compliance with the Model Code, nor to impose sanctions in respect of any failure by the Company to so comply.

### **6. Dividend Policy**

The Company intends to pay dividends on the Ordinary Shares following the Acquisition, as the Board determines appropriate, and in view of financial performance of the Company and the level of profits required to be retained in pursuance of the strategic objectives of the Company. The Company intends on paying reasonable dividends to the extent that to do so is in accordance with all applicable laws.

### **7. CREST**

The Articles permit the Company to issue shares in uncertificated form in accordance with CREST Regulations.

Further details about CREST are set out in paragraph 19 of Part VI of this Document.

## PART III

### THE ACQUISITION

#### 1. Details of the Acquisition

The Company announced on 20 July 2015 that it had conditionally agreed to acquire the entire issued share capital of Altair from the Sellers, the consideration for which is to be satisfied in Consideration Shares.

The Share Purchase Agreement was entered into on 20 July 2015 pursuant to which the Sellers have conditionally agreed to sell and the Company has conditionally agreed to purchase the entire issued share capital of Altair.

The consideration for the Acquisition will be £6,572,000, to be satisfied by the issue of 21,200,000 Ordinary Shares, representing approximately 67.30 per cent. of the Enlarged Share Capital immediately following Re-Admission, at the Closing Price.

Completion of the Acquisition is subject to the satisfaction of the following conditions by no later than 31 August 2015:

- the approval of the Acquisition by the Existing Shareholders at the General Meeting; and
- Re-Admission occurring.

The Company has agreed to use reasonable endeavours to procure that the conditions described above are satisfied not later than 31 August 2015 and no party is entitled to withdraw from the Share Purchase Agreement before that date unless any of the conditions described above become incapable of fulfilment.

The Share Purchase Agreement contains customary warranties and representations relating to Altair which are given by the Sellers to the Company (on a several basis), on the one hand, and by the Company to the Sellers on the other hand, as at the date of signing the Share Purchase Agreement, with each such representation and warranty being repeated on the date of completion of the Acquisition.

The Sellers have also entered into a customary tax covenant in favour of the Company.

Claims under the Share Purchase Agreement are subject to certain financial, time and other limitations. The threshold to be exceeded in respect of the aggregate amount of all warranty claims is £50,000, in which case the Sellers and/or the Company (as the case may be) shall be liable for the whole amount claimed and not only the excess, save that each Seller shall only be liable in respect of his or her relevant percentage of such amount claimed. The limitation period in respect of warranty and indemnity claims under the Share Purchase Agreement expires two years following completion of the Acquisition in the case of the general warranties and seven years following completion of the Acquisition in the case of a claim under the tax covenant. The overall cap and aggregate liability of the Sellers in respect of claims under the Share Purchase Agreement will not exceed £6,254,000. Each Seller is only liable for his or her relevant proportion of any claims under the Share Purchase Agreement and such claims may be satisfied (at the election of each Seller) either in cash or by the sale back to the Company of the appropriate number of the relevant Seller's Consideration Shares at the price per share at which they are deemed to be issued for the purpose of the Acquisition (i.e. the Closing Price) (such price being set off in full against the claim liability). The maximum aggregate liability of each Seller under the Share Purchase Agreement can therefore be fully satisfied by the sale back of all such Seller's Ordinary Shares.

The Share Purchase Agreement includes restrictions regarding the conduct of the business of Altair pending completion of the Acquisition, including a restriction on the creation or issue of any share or loan capital or the grant of any option in respect of the same, the declaration or making of any dividend or the entry into any contract or commitment outside of the ordinary course of business.

The Share Purchase Agreement also includes customary restrictions regarding the conduct of the Company pending completion of the Acquisition, including a restriction on the creation or issue of any share or loan

capital or the grant of any option in respect of the same, the declaration or making of any dividend, or doing anything other than of a routine and not important nature other than as may be necessary in connection with the terms of the Share Purchase Agreement or as required by law or regulation.

The Share Purchase Agreement may be terminated at any time by the Company prior to completion of the Acquisition without liability if the Sellers shall have breached any of the warranties or other terms of the Share Purchase Agreement or if any event occurs which has or is likely to have a material adverse effect on the financial position or business prospects of Altair, not being an event which affects generally all companies carrying on business similar to that of Altair in a part or parts of the world where Altair carries on business.

The Share Purchase Agreement is governed by the laws of England and Wales and the parties have irrevocably submitted to the exclusive jurisdiction of the courts of England and Wales in relation to any action or proceeding arising out of the Share Purchase Agreement.

Following the issue of the Consideration Shares pursuant to the Acquisition, the 10,300,000 Existing Ordinary Shares will represent approximately 32.70 per cent. of the Enlarged Share Capital immediately following Re-Admission.

## **2. Details of the Relationship and Lock-in Agreements**

### **2.1 *Summary of the Relationship Agreement***

At the same time as entering into the Share Purchase Agreement, the Company, members of the Concert Party and Beaumont Cornish also entered into the Relationship Agreement to regulate the ongoing relationship between the members of the Concert Party and the Company with the intention of ensuring that the Company is capable of carrying on its business independently and of ensuring that any transactions and relationships between the Company and the Concert Party are at arm's length and on a normal commercial basis.

### **2.2 *Consideration Shares Restrictions***

Subject to limited exceptions, the Consideration Shares issued to certain of the Altair Shareholders who are also members of the Concert Party pursuant to the Acquisition (as well as the existing Ordinary Shares held by them) are subject to restrictions whereby they cannot be transferred or disposed of (without the prior written consent of the Board and Beaumont Cornish) until the first anniversary of Re-Admission (and, for a further calendar year thereafter, the Consideration Shares must only be transferred or disposed of in accordance with orderly marketing arrangements).

## **3. Re-Admission and Dealings**

As the Acquisition constitutes a Reverse Takeover under the Listing Rules, the London Stock Exchange will cancel trading in the Existing Ordinary Shares on the Main Market for listed securities, and the UKLA will cancel the listing of the Existing Ordinary Shares on the standard listing segment of the Official List by 7.30 a.m. on 20 August 2015.

An application will be made to the UKLA and to the London Stock Exchange for the Enlarged Share Capital to be admitted, to trading on the Main Market for listed securities and to listing on the standard listing segment of the Official List. It is expected that Re-Admission will become effective and that dealings in the Ordinary Shares will commence on the London Stock Exchange at 8.00 a.m. on 20 August 2015.

Where applicable, definitive share certificates in respect of the Consideration Shares to be issued pursuant to the Acquisition are expected to be despatched, by post, at the risk of the recipients, to the Sellers, not later than 28 August 2015. The Consideration Shares are in registered form and can also be held in uncertificated form. Prior to the despatch of definitive share certificates in respect of any Consideration Shares which are held in certificated form, transfers of those Consideration Shares will be certified against the register of members of the Company. No temporary Documents of title will be issued. The rights attaching to the Consideration Shares will be uniform in all respects and all of the Ordinary Shares will form a single class for all purposes.

All Consideration Shares to be issued pursuant to the Acquisition will be issued at the Closing Price pro rata to the existing holdings of Altair shares by the Altair Shareholders pursuant to the Share Purchase Agreement. The issue of the Consideration Shares is conditional only on the approval of the Acquisition of the Existing Shareholders at the General Meeting and on Re-Admission.

In accordance with Listing Rule 14.3, the Company and the Directors have ensured that on Admission the Company shall have sufficient shares in public hands (25 per cent.) as defined in the Listing Rules. However, the members of the Concert Party will control more than 30 per cent. of the Enlarged Shares Capital and the Panel has confirmed that, subject to the consent of Independent Shareholders being obtained at the General Meeting, no general offer will be required to be made to all Shareholders of the Company under Rule 9 of the City Code. The members of the Concert Party may therefore be able to exercise control and have entered into the Relationship Agreement with the Company and Beaumont Cornish in this regard.

Conditional upon Re-Admission occurring and becoming effective by 8.00 a.m. London time on or prior to 20 August 2015 (or such later date as the Company may agree (not being later than 31 August 2015)) each of the Sellers agrees to become a member of the Company and agrees to subscribe for those Consideration Shares set out in the Share Purchase Agreement. To the fullest extent permitted by law, the Sellers will not be entitled to rescind the Share Purchase Agreement at any time.

## PART IV

### FINANCIAL INFORMATION ON THE ENLARGED GROUP

#### PART IV (A)

##### A.1 ACCOUNTANT'S REPORT ON THE HISTORICAL FINANCIAL INFORMATION OF GENERAL INDUSTRIES PLC

## Saffery Champness

CHARTERED ACCOUNTANTS

Lion House, Red Lion Street, London WC1R 4GB  
DX 287 - Chancery Lane, London

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E-mail: [info@saffery.com](mailto:info@saffery.com)  
Website: [www.saffery.com](http://www.saffery.com)

20 July 2015

The Directors  
General Industries Plc  
56 Station Road  
Egham  
TW20 9LF

The Directors  
Beaumont Cornish Limited  
29 Wilson Street  
London  
EC2M 2SJ

Dear Sirs

#### **Accountant's Report on General Industries Plc ("the Company")**

We report on the financial information set out in Part IV (A.2) of the prospectus dated 20 July 2015 which comprises the statement of comprehensive income, the statement of financial position, the statement of cash flows, the statement of changes in equity and the related notes 1 to 18 for the period ended 31 March 2015. This financial information has been prepared for inclusion in the prospectus dated 20 July 2015 of the Company on the basis of the accounting policies set out in Note 2. This report is required by item 20.1 of Annex I of Commission Regulation (EC) 809/2004 and is given for the purpose of complying with that item and for no other purpose.

Save for any responsibility arising under Prospectus Rule 5.5.3R (2)(f) to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with item 23.1 of Annex I of the Prospectus Directive Regulation, consenting to its inclusion in the prospectus.

#### ***Responsibility***

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

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

***Basis of opinion***

We conducted our work in accordance with Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of significant estimates and judgments made by those responsible for the preparation of the financial information and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial information is free from material misstatement whether caused by fraud or other irregularity or error.

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

***Opinion***

In our opinion, the financial information gives, for the purposes of the prospectus dated 20 July 2015, a true and fair view of the state of affairs of the Company as at the date stated and of its profits and losses, cash flows and changes in equity for the periods then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

***Declaration***

For the purposes of Prospectus Rule 5.5.3R (2)(f) we are responsible for this report as part of the prospectus and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the prospectus in compliance with item 1.2 of Annex I of the Prospectus Directive Regulation.

Yours faithfully

**Saffery Champness**  
Chartered Accountants

## A.2 HISTORICAL FINANCIAL INFORMATION OF GENERAL INDUSTRIES

### Statement of Comprehensive Income

		<i>Period ended 31 March 2015</i>
	<i>Notes</i>	<i>£</i>
Administrative expenses		(38,452)
<b>Operating loss</b>	5	(38,452)
Interest receivable	6	2,848
<b>Loss on ordinary activities before taxation</b>		(35,604)
Tax on loss on ordinary activities	8	—
<b>Loss and total comprehensive expense for the period attributable to the owners of the company</b>		<u>(35,604)</u>

		<i>Period ended 31 March 2015</i>
	<i>Notes</i>	<i>Pence per share</i>
Earnings per share		
On loss for the financial period		
Basic	9	(0.54p)
Diluted	9	<u>(0.54p)</u>

The above results relate entirely to continuing activities.

There were no acquisitions or disposals of businesses in the period.

The accompanying notes form part of this financial information.

## Statement of Financial Position

		<i>At 31 March</i>
		<i>2015</i>
	<i>Notes</i>	<i>£</i>
<b>Current assets</b>		
Trade and other receivables	11	18,000
Cash and cash equivalents		946,207
		<u>964,207</u>
<b>Current Liabilities</b>		
Trade and other payables	12	(2,835)
		<u>961,372</u>
<b>Net assets</b>		
<b>Equity</b>		
Called up share capital	14	515,000
Share premium account	15	464,960
Retained earnings		(18,588)
		<u>961,372</u>
<b>Equity attributable to the owners of the company</b>		
		<u>961,372</u>
<b>Net assets per share</b>	10	<u>9.33p</u>



## Statement of Cash Flows

*Period ended*  
*31 March 2015*  
£

<b>Cash flows from operating activities</b>	
Loss for the period	(35,604)
<i>Adjustments for:</i>	
Share-based payment expense	17,016
Interest receivable	(2,848)
<b>Cash flows from operations before changes in working capital</b>	<u>(21,436)</u>
Increase in trade and other receivables	(18,000)
Increase in trade and other payables	2,835
<b>Cash generated from operations</b>	<u>(36,601)</u>
Tax paid	–
<b>Net cash flows from operating activities</b>	<u>(36,601)</u>
<b>Cash flows from investing activities</b>	
Interest receivable	2,848
<b>Net cash flows from investing activities</b>	<u>2,848</u>
<b>Cash flows from financing activities</b>	
Proceeds on issue of shares	1,010,000
Transaction costs of issue of shares	(30,040)
<b>Net cash flows from financing activities</b>	<u>979,960</u>
<b>Net increase in cash and cash equivalents</b>	946,207
Cash and cash equivalents on incorporation	–
<b>Cash and cash equivalents at end of year</b>	<u>946,207</u>

**Statement of Changes in Equity**

	<i>Share capital</i> £	<i>Share premium</i> £	<i>Retained earnings</i> £	<i>Total equity</i> £
<b>At 9 April 2014</b>	–	–	–	–
Loss for the period	–	–	(35,604)	(35,604)
Other comprehensive income	–	–	–	–
Total comprehensive expense for the period	–	–	(35,604)	(35,604)
Issue of shares	515,000	495,000	–	1,010,000
Transaction costs of issue of shares	–	(30,040)	–	(30,040)
	<u>515,000</u>	<u>464,960</u>	<u>(35,604)</u>	<u>944,356</u>
Share-based payment expense	–	–	17,016	17,016
<b>At 31 March 2015</b>	<u>515,000</u>	<u>464,960</u>	<u>(18,588)</u>	<u>961,372</u>

## **Notes to the Financial Statements**

### **1. General Information**

General Industries plc (“General Industries” or “the Company”) is a company incorporated in England and Wales and domiciled in the UK. The address of the registered office is 56 Station Road, Egham, TW20 9LF (registered company number is 08988813). The principle activity of General Industries is that of an investment company seeking potential acquisitions.

General Industries was incorporated on 9 April 2014 and therefore the financial information is for the period ended 31 March 2015 only. The Company’s shares were admitted to the Official List by way of a Standard Listing and to trading on the London Stock Exchange’s Main Market on 28 August 2014.

### **2. Significant accounting policies**

The following principal accounting policies have been used consistently in the preparation of the financial information.

#### ***Basis of preparation***

The financial information has been prepared in accordance with International Financial Reporting Standards adopted by the EU (“adopted IFRS”) and in accordance with the IFRS Interpretations Committee (“IFRIC”) interpretations.

Those parts of the Companies Act 2006 applicable to companies reporting under IFRS and have been incorporated into the principal accounting policies as set out below.

The following principal accounting policies have been applied in dealing with items which are considered material in relation to the company’s financial information. The financial information has been prepared on the historical cost basis.

#### ***Going concern***

The Company is required to assess whether it has sufficient resources to continue its operations and to meet its liabilities and obligations as they fall due.

In addition, note 16, includes the Company’s financial risk management objectives and details of its exposures to credit risk, liquidity risk and market risk.

The Company has sufficient financial resources to enable it to continue in operational existence for the foreseeable future. As a consequence, the Directors believe that the Company is well placed to manage its business risks successfully despite the current uncertain economic outlook. Accordingly, they have adopted the going concern basis in preparing this financial information. Should the going concern assumption no longer remain valid, the carrying value of the Company’s assets will need to be assessed for impairment and the statement of financial position will need to be prepared on a break-up basis.

#### ***Trade and other receivables***

Trade and other receivables are stated at amortised cost less impairment.

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

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts, which are repayable on demand and form an integral part of the company’s cash management, are included as a component of cash and cash equivalents for the purpose only of the statement of cash flows.

#### ***Equity***

Equity comprises issued share capital, share premium and retained earnings.

### ***Share based payments***

The share option programme allows company employees to acquire shares of the company; these awards are granted by the Company. The fair value of equity-settled share options granted is recognised as an employee expense on a straight line basis over the vesting period with a corresponding increase in equity. The fair value is measured at the date of grant and spread over the period during which the employees become unconditionally entitled to the options using an option valuation model, taking into account the terms and conditions upon which options were granted and is dependent on factors such as exercise price, expected volatility, option price and risk free interest rate. The amount recognised as an expense is adjusted to reflect the actual number of share options that vest except where forfeiture is due only to share prices not achieving the threshold for vesting. At each balance sheet date the company revises its estimate of the number of equity instruments expected to vest as a result of the effect of non-market based vesting conditions.

### ***Dividends***

Interim dividends are recorded in the financial statements when they are paid. Final dividends are recognised as a liability in the period in which they are approved by the Company's shareholders.

### ***Provisions***

A provision is recognised in the balance sheet when: the Company has a present legal or constructive obligation as a result of a past event; it is probable that an outflow of economic benefit will be required to settle the obligation; and the outflow can be estimated reliably. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

### ***Taxation***

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the Income Statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in the Statement of Comprehensive Income.

Current tax is expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

### ***Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company***

The following IFRSs have been endorsed by the EU but are not yet effective and have not been early adopted. The effective date relates to periods beginning on that date:

- Amendments to IAS19 – Defined Benefit Plans – Employee Contributions – effective 1 July 2014
- Annual Improvements 2010-2012 and Annual Improvements 2011-2013 – effective 1 July 2014

The following IFRSs have been issued by the IASB but are yet to be endorsed by the EU. The effective date relates to periods beginning on that date:

- IFRS 9 – Financial Instruments – effective 1 January 2018
- IFRS 15 – Revenue from contracts with customers – effective 1 January 2017
- Amendments to IFRS 10, IFRS 12 and IAS 27 – Investment Entities – Consolidation – effective 1 July 2014
- IFRIC 21 – Levies – effective 13 June 2014
- Annual improvements 2012-2014 – effective 1 January 2016
- IFRS 14 Regulatory Deferral Accounts – effective 1 January 2016
- Amendments to IAS 1- Disclosure Initiative – effective 1 January 2016
- Amendments to IAS 16 and IAS 38 – Clarification of Acceptable Methods of Depreciation and Amortisation – effective 1 January 2016
- Amendments to IFRS 11 – Joint Arrangements: Accounting for Acquisitions of Interests in Joint Operations – effective 1 January 2016
- Amendments to IAS 16 and IAS 41 – Agriculture: Bearer Plants – effective 1 January 2016

The Directors will assess the impact of these standards as they become effective.

### **3. Critical accounting judgements and estimates**

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. The key areas in which estimates have been used and the assumptions applied are in valuing cash deposits and accounting for share based payment transactions.

#### ***Impairment***

The carrying amounts of the Company's assets values are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated and an impairment loss recognised where the recoverable amount is less than the carrying value of the asset. Any impairment losses are recognised in the income statement.

#### ***Share based payment***

The Company provides share options to directors which are accounted for as equity settled share based payment transactions. In accordance with IFRS 2, share options are measured at fair value at the date of grant using an option pricing model. The assumptions made regarding the inputs to the model are set out in note 13. Further, at each balance sheet date judgements are made in respect of the number of options that are expected to vest.

### **4. Operating Segments**

The Company manages its operation in one segment, being that of seeking one or more acquisitions. All operations are carried out in the UK.

There are no major customers or products and services at this stage of the Company's life.

## 5. Operating Loss

*Period ended*  
*31 March 2015*  
£

Loss for the period has been arrived at after charging:

Auditor's remuneration	
Fees payable for the audit of the financial statements	2,400

Transaction costs for the issue of shares includes fees payable to the Auditor of £4,500 for non-audit services.

## 6. Interest Receivable

*Period ended*  
*31 March 2015*  
£

Bank interest receivable	2,848
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## 7. Directors' Remuneration and Staff Costs

The average monthly number of persons employed by the Company (including executive and non-executive directors) during the period was 4.

*Period ended*  
*31 March 2015*  
£

The Directors' aggregate remuneration comprised:

Directors' fees in respect of	J R Wollenberg	209
	D M Joseph	83
	D A Whitaker	83
Total Directors' remuneration		375

No fees were paid to J Zitron.

No retirement benefits are accruing to Directors.

There are no other key management personnel employed by the Company.

## 8. Tax on Loss on Ordinary Activities

*Period ended*  
*31 March 2015*  
£

<b>Corporation tax – current tax charge</b>	–
Tax on loss on ordinary activities	–

The charge for the period can be reconciled to the loss in the income statement as follows:

*Period ended*  
*31 March 2015*  
£

Loss on ordinary activities before tax	(35,604)
Loss on ordinary activities multiplied by the lower rate of corporation tax in the UK of 20%	(7,121)
<i>Effects of</i> Losses not available for use	7,121
Current tax charge	–

## 9. Earnings per Share

The calculation of the basic and diluted loss per share is based on the loss for the period of £35,604 and on 6,616,573 Ordinary shares, being the weighted average number of shares in issue during the period.

Potential Ordinary shares are antidilutive when their conversion to ordinary shares would increase earnings per share or decrease loss per share from continuing operations

## 10. Net Assets per Share

	<i>At 31 March 2015</i>
	<i>Pence per share</i>
Based on shares in issue at 31 March 2015 of 10,300,000	<u>9.33</u>

## 11. Trade and Other Receivables

	<i>At 31 March 2015</i>
	<i>£</i>
Prepayments	<u>18,000</u>

## 12. Trade and Other Payables

	<i>At 31 March 2015</i>
	<i>£</i>
Accruals	<u>2,835</u>

## 13. Share-based Payments

The fair values of services received in return for share options granted are measured by reference to the fair value of share options granted. The estimate of the fair value of the option is measured based on a Black Scholes model (with the contractual life of the option built into the model). The option vests on grant.

	<i>Number of share options</i>	<i>Weighted average exercise price</i>
Outstanding at incorporation	–	–
Granted during the period	1,330,000	13.6p
Exercised during the period	–	–
Lapsed during the period	–	–
<b>Outstanding at 31 March 2015</b>	<u>1,330,000</u>	<u>13.6p</u>
Exercisable at 31 March 2015	<u>1,330,000</u>	<u>13.6p</u>

The terms and condition of outstanding share options are as follows:

<i>Date granted</i>	<i>No. of options</i>	<i>Exercise price</i>	<i>Exercisable between</i>
22 August 2014	1,030,000	10p	Date granted and 22 August 2019
10 November 2014	300,000	26p	Date granted and 22 August 2019

The weighted average fair value of the options at the measurement date was 1.28p.

The principal assumptions used in assessing the fair value of the options are as follows:

- share price – 10p–26p;
- exercise price – 10p–26p;
- option life – 5 years;

- expected dividends – 0%;
- volatility – 1%; and
- risk-free interest rate – 2%.

The share-based payment expense for the period is £17,016.

#### ***Share options issued to directors***

On 22 August 2014, J R Wollenberg was granted 515,000 options, 309,000 share options were granted to D M Joseph and 206,000 share options to D A Whitaker, all with an exercise price of 10p per share.

On 10 November 2014 the Company granted 300,000 share options to J C Zitron with an exercise price of 26p per share.

#### **14. Share Capital**

	<i>At 31 March 2015</i>
	£
<i>Allotted, called up and fully paid</i>	
10,300,000 Ordinary shares of 5 pence each	<u>515,000</u>
<i>Share capital</i>	
Ordinary shares of £1 each issued at par on incorporation	50,000
Subdivided into Ordinary shares of 5p each on 29 May 2014	950,000
Issued at £30,000 per share on 29 May 2014	1
Issued at 10p per share on 28 August 2014	<u>9,299,999</u>
	<u>10,300,000</u>

The Ordinary shares entitle the holders to voting rights, dividend rights in respect of any dividend declared, and distribution rights on winding-up.

#### **15. Share Premium Account**

	£
In respect of Ordinary shares issued on 9 April 2014	–
In respect of Ordinary shares issued on 29 May 2014	30,000
In respect of Ordinary shares issued on 28 August 2014	465,000
Transaction costs of issue of shares	<u>(30,040)</u>
<b>Balance at 31 March 2015</b>	<u>464,960</u>

#### **16. Financial risk management**

The Company has exposure to credit risk, liquidity risk and market risk. This note presents information about the Company's exposure to these risks, along with the Company's objectives, processes and policies for managing the risks.

##### ***Credit risk***

Credit risk is the risk of financial loss for the Company if a client or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from clients and monies on deposit with financial institutions.

The Company has a credit policy in place and credit risk is monitored by the board on an ongoing basis. Credit evaluations are carried out on all new clients before credit is granted above certain thresholds. There



is a spread of risks among a number of clients with no significant concentration of risk with any one client. The Company establishes an allowance for impairment in respect of trade receivables where there is any doubt over recoverability.

The Company has significant monies on deposit at the year-end in instant access deposits commensurate with its aims. The Company's policy is to maximise financial income on these cash deposits whilst credit risk is mitigated through placing cash with leading international highly-rated financial institutions.

The carrying amount of financial assets represents the maximum exposure to credit risk as follows:

	2015
	£
Cash and cash equivalents	946,207
	<hr/>

All financial assets are sterling denominated.

### ***Liquidity risk***

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have adequate liquidity to meet its liabilities as they fall due, without incurring unacceptable losses or risking damage to the Company's reputation.

In respect of cash deposits, the carrying value approximates to fair value because of the instant access of the deposits. Interest rates are floating. There is also no difference between the fair value of other financial assets and financial liabilities and their carrying value in the balance sheet.

The Company's financial liabilities comprise trade creditors and other creditors amounting to £2,835 and are all repayable within one year and are non-interest bearing.

### ***Banking facilities***

The Company does not have loan or overdraft facilities. Sufficient cash resources are available to the Company to complete the current acquisition programme. The board will keep this position under review.

### ***Market risk***

Market risk is the risk that changes in market prices such as currency rates, interest rates and stock market prices will affect the Company's results. The Company's objective is to manage and control market risk within suitable parameters.

### ***Currency risk***

All of the Company's transactions are denominated in sterling. Accordingly, the company has no direct exposure to exchange rate fluctuations. Furthermore, the company does not trade in derivatives.

### ***Interest rate risk***

The Company does not undertake any hedging activity in this area. The main element of interest rate risk involves sterling deposits which are placed on deposit.

## **17. Commitments**

There were no commitments under contract at 31 March 2015.

## **18. Related Party Transactions**

During the period the company did not enter into any material transactions with related parties.

## PART IV (B)

### B.1: ACCOUNTANT'S REPORT ON THE HISTORICAL FINANCIAL INFORMATION OF ALTAIR

## Saffery Champness

CHARTERED ACCOUNTANTS

Lion House, Red Lion Street, London WC1R 4GB  
DX 287 - Chancery Lane, London

Telephone: +44 (0)20 7841 4000  
Facsimile: +44 (0)20 7841 4100  
E-mail: info@saffery.com  
Website: www.saffery.com

20 July 2015

The Directors  
General Industries Plc  
56 Station Road  
Egham  
TW20 9LF

The Directors  
Beaumont Cornish Limited  
29 Wilson Street  
London  
EC2M 2SJ

Dear Sirs

#### **Accountant's report on Altair Consultancy and Advisory Services Limited ("Altair")**

We report on the financial information set out in Part IV B.2 of the prospectus dated 20 July 2015 which comprises the statements of comprehensive income, the statements of financial position, the statements of cash flows, the statements of changes in equity and the related notes 1 to 25 for the years ended 31 March 2013, 2014 and 2015. This financial information has been prepared for inclusion in the prospectus dated 20 July 2015 of General Industries Plc on the basis of the accounting policies set out in note 2. This report is required by item 20.1 of Annex I of Commission Regulation (EC) 809/2004 and is given for the purpose of complying with that item and for no other purpose.

Save for any responsibility arising under Prospectus Rule 5.5.3R (2)(f) to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with item 23.1 of Annex I of the Prospectus Directive Regulation, consenting to its inclusion in the prospectus.

#### **Responsibility**

The Directors of General Industries Plc are responsible for preparing the financial information in accordance with International Financial Reporting Standards as adopted by the European Union.

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

**Basis of opinion**

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board. Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of significant estimates and judgements made by those responsible for the preparation of the financial information and whether the accounting policies are appropriate, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial information is free from material misstatement whether caused by fraud or other irregularity or error.

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

**Opinion**

In our opinion, the financial information gives, for the purposes of the prospectus dated 20 July 2015, a true and fair view of the state of affairs of Altair as at the dates stated and of its profits and losses, cash flows and changes in equity for the periods then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

**Declaration**

For the purposes of Prospectus Rule 5.5.3R (2)(f) we are responsible for this report as part of the prospectus and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the prospectus in compliance with item 1.2 of Annex I of the Prospectus Directive Regulation.

Yours faithfully

**Saffery Champness**  
*Chartered Accountants*

## B.2: HISTORICAL FINANCIAL INFORMATION OF ALTAIR

### Statements of Comprehensive Income

		<i>Year ended 31 March</i>		
		<i>2013</i>	<i>2014</i>	<i>2015</i>
		<i>£</i>	<i>£</i>	<i>£</i>
<b>Continuing operations</b>				
Revenue		2,707,995	2,838,400	4,074,257
Cost of Sales		(2,187,960)	(2,172,020)	(3,067,034)
<b>Gross Profit</b>		<u>520,035</u>	<u>666,380</u>	<u>1,007,223</u>
Administrative expenses		(200,414)	(267,050)	(402,583)
<b>Operating profit</b>	5	319,621	399,330	604,640
Finance income	8	455	2,390	2,502
Finance costs	7	(18,750)	(18,750)	(14,424)
<b>Profit before tax</b>		<u>301,326</u>	<u>382,970</u>	<u>592,718</u>
Tax	9	(36,009)	(90,250)	(114,125)
<b>Profit and total comprehensive income attributable to the owners of the company</b>		<u>265,317</u>	<u>292,720</u>	<u>478,593</u>
<b>Earnings per share attributable to the equity holders of the company during the year:</b>				
Basic (£)	20	283	313	510
Diluted (£)	20	283	313	509

**Statement of Financial Position**

		<i>As at 31 March</i>		
		<i>2013</i>	<i>2014</i>	<i>2015</i>
		<i>£</i>	<i>£</i>	<i>£</i>
<b>ASSETS</b>				
<b>Current assets</b>				
Trade and other receivables	10	709,634	747,417	1,041,590
Cash and cash equivalents	11	367,284	852,906	1,113,959
<b>Total assets</b>		<u>1,076,918</u>	<u>1,600,323</u>	<u>2,155,549</u>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Trade and other payables	12	520,933	729,201	1,113,508
Current tax liability		36,009	90,250	143,742
		<u>556,942</u>	<u>819,451</u>	<u>1,257,250</u>
<b>Non-current liabilities</b>				
Shareholder loans	13	375,000	375,000	–
<b>Total liabilities</b>		<u>931,942</u>	<u>1,194,451</u>	<u>1,257,250</u>
<b>Net assets</b>		<u>144,976</u>	<u>405,872</u>	<u>898,299</u>
<b>Equity</b>				
Share capital	14	936	936	973
Share premium account	15	–	–	126,651
Retained earnings	16	144,040	404,936	770,675
<b>Equity attributable to the owners of the company</b>		<u>144,976</u>	<u>405,872</u>	<u>898,299</u>

**Statement of Changes in Equity**

	<i>Share capital</i> £	<i>Share Premium</i> £	<i>Retained earnings</i> £	<i>Total</i> £
<b>At 1 April 2012</b>	936	–	(121,277)	(120,341)
Total comprehensive income for the year	–	–	265,317	265,317
<b>At 31 March 2013</b>	936	–	144,040	144,976
Total comprehensive income for the year	–	–	292,720	292,720
Ordinary dividends declared	–	–	(31,824)	(31,824)
<b>At 31 March 2014</b>	936	–	404,936	405,872
Total comprehensive income for the year	–	–	478,593	478,593
Issue of shares	37	126,651	–	126,688
Equity share based payments	–	–	21,516	21,516
Ordinary dividends declared	–	–	(134,370)	(134,370)
<b>At 31 March 2015</b>	973	126,651	770,675	898,299

## Statement of Cash Flows

	<i>Year to 31 March</i>		
	2013	2014	2015
	£	£	£
<b>Cash flows from operating activities</b>			
Profit before taxation	301,326	382,970	592,718
Add back finance costs	18,750	18,750	14,424
Deduct finance income	(455)	(2,390)	(2,502)
Share based payment expense	–	–	21,516
Changes in working capital:			
Increase in trade and other receivables	(115,798)	(37,783)	(275,101)
Increase in trade and other payables	3,744	223,268	388,057
Taxes paid	–	(36,009)	(79,705)
<b>Net cash flows from operating activities</b>	<u>207,567</u>	<u>548,806</u>	<u>659,407</u>
<b>Cash flows from investing activities</b>			
Interest received	455	2,390	2,502
<b>Net cash flows from investing activities</b>	<u>455</u>	<u>2,390</u>	<u>2,502</u>
<b>Cash flows from financing activities</b>			
Equity dividends paid	–	(31,824)	(134,370)
Proceeds from issuance of ordinary shares	–	–	126,688
Repayment of loans	–	–	(375,000)
Interest paid	(20,627)	(33,750)	(18,174)
<b>Net cash used in financing activities</b>	<u>(20,627)</u>	<u>(65,574)</u>	<u>(400,856)</u>
<b>Net increase in cash and cash equivalents</b>	<u>187,395</u>	<u>485,622</u>	<u>261,053</u>
Cash and cash equivalents at the beginning of the year	<u>179,889</u>	<u>367,284</u>	<u>852,906</u>
<b>Cash and cash equivalents at the end of the year</b>	<u><u>367,284</u></u>	<u><u>852,906</u></u>	<u><u>1,113,959</u></u>

## **Notes to the financial information**

### **1. General information**

Altair Consultancy and Advisory Services Limited (“Altair”) is a company incorporated in England and Wales and domiciled in the UK. The address of the registered office Tempus Wharf, 29a Bermondsey Wall West, London, SE16 4SA (registered company number is 07463003). The principal activities of Altair are that of Consultancy and Interim Management.

### **2. Significant accounting policies**

The following principal accounting policies have been used consistently in the preparation of the financial information.

#### ***Basis of preparation***

The financial information has been prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the European Union and in accordance with the IFRS Interpretations Committee (“IFRIC”) interpretations.

Altair’s deemed transition date to IFRS is 1 April 2012. The principles and requirements for first time adoption of IFRS are set out in IFRS 1.

#### ***Going concern***

Altair is required to assess whether it has sufficient resources to continue its operations and to meet its commitments for the foreseeable future. The directors have prepared the financial information on a going concern basis, as in their opinion Altair is able to meet its obligations as they fall due. This opinion is based on detailed forecasting for the following 12 months based on current and expected market conditions together with current performance levels. Should the going concern assumption no longer remain valid the carrying value of Altair’s assets will need to be assessed for impairment and the balance sheet will need to be prepared on a break-up basis.

#### ***Foreign currencies***

The financial information is presented in Pound Sterling which is Altair’s functional and presentational currency. No foreign currency transactions occurred during the years ended 31 March 2013 and 2014. Altair invoices some of its clients in Euros.

Transactions in currencies other than the local functional currency are recognised at the rates of exchange on the dates of the transactions. At each balance sheet date, monetary assets and liabilities are retranslated at the rates prevailing at the balance sheet date with differences recognised in the Profit and Loss account in the period in which they arise.

#### ***Pensions***

Altair contributes to defined contribution schemes for the benefit of its employees. Contributions payable are charged to the statement of comprehensive income in the year they are payable.

#### ***Revenue recognition***

Revenue comprises the fair value of the consideration received or receivable for the sale of services in the ordinary course of Altair’s activity. Revenue is shown net of value added tax, returns, rebates and discounts. Altair recognises revenue when the amount of the revenue can be reliably measured and when it is probable that economic benefits will flow to the entity.

Uninvoiced fees at the balance sheet date are valued at the fair value of the consideration receivable based on the date the services have been provided, when it is probable that economic benefits will flow to Altair. Where income is invoiced in advanced of work being completed, revenue is treated in the first instance as deferred income and recognised when the services are performed by Altair.



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

Altair capitalises all individual assets costing in excess of £1,000. In the years ending 2013, 2014 and 2015 Altair did not purchase any assets over this limit and therefore has no fixed assets. Any significant purchase of assets in the future will be capitalised at cost and depreciated over the useful economic life of the asset.

### ***Financial assets***

Altair classifies its financial assets in the category of loans and receivables. The classification depends on the purposes for which these assets were acquired. Management takes decisions concerning the classification of its financial assets at initial recognition and reviews such classification for appropriateness at each reporting date. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. Altair's loans and receivables comprise "trade and other receivables".

### ***Trade receivables***

Trade receivables, defined as loans and receivables in accordance with IAS 39 'Financial Instruments: Recognition and Measurement', are recorded initially at fair value and, where appropriate, are subsequently measured at amortised cost. A provision for impairment of trade receivables is established when there is evidence that Altair will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the assets' carrying amount and the present value of future cash flows discounted at the effective interest rate. The movement in the provision is recognised in the statement of comprehensive income.

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

Cash and cash equivalents include cash in hand.

### ***Financial liabilities***

#### ***Trade and other payables***

Trade and other payables are recognised and initially measured at cost, due to their short term nature. All of Altair's trade payables are non-interest bearing.

#### ***Borrowings***

All loans and borrowings are initially recognised at the fair value of the consideration received less attributable transaction costs. After initial recognition interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

#### ***Current and deferred income tax***

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit or loss, because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. Altair's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial information and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction which affects neither the tax profit nor the accounting profit.

Deferred tax is calculated at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled. Deferred tax is charged or credited in the profit or loss, except when it relates to items credited or charged in other comprehensive income directly to equity, in which case the deferred tax is also dealt with in other comprehensive income.

#### *Deferred tax assets*

Management regularly assesses the likelihood that deferred tax assets will be recovered from future taxable income. No deferred tax asset is recognised when management believe that it is more likely than not that a deferred asset will not be realised.

#### *Provisions*

Provisions are recognised when Altair has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. If the effect is material, provisions are determined by discounting the expected future cash flows at an appropriate pre-tax discount rate.

#### *Share capital/equity instruments*

Ordinary shares are classified as equity. Equity instruments issued by Altair are recorded at the proceeds received, net of direct issue costs.

#### *Operating leases*

Rentals payable under operating leases, net of lease incentives, are charged to the statement of comprehensive income on a straight-line basis over the term of the lease.

#### ***Share based payments***

##### *EMI Scheme*

Altair operates an EMI scheme, under which certain employees of Altair receive part of their remuneration for the financial year in the form of options to purchase shares in Altair. The share options granted become exercisable at varying future dates. If certain conditions are met, following the vesting period, the employee will be eligible to exercise their option at an exercise price determined on the date the share options are granted.

The share based payment charge is recognised in the statement of comprehensive income and is calculated based on Altair's estimate of the number of share options that will eventually vest.

Assumptions regarding the fair value of Altair's shares and assumptions regarding employee fluctuation are taken into account when measuring the value of share-based payments for employees, which are required to be accounted for as equity-settled share-based payment transactions pursuant to IFRS2. The resulting staff costs are recognised pro rata in the statement of comprehensive income to reflect the services rendered as consideration during the vesting period.

The fair value of share options granted is determined by applying the Black Scholes model. This model utilises inputs for the risk free rate, expected volatility in share price, dividend yield and the current share price at fair value, which are factors determined on the date the share options are granted.

*Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by Altair*

The following standards, interpretations and amendments to existing standards have been published by the IASB but are yet to be endorsed by the EU or are not effective for the period presented in the financial information and Altair has decided not to early adopt them:

<i>Standard</i>	<i>Effective date, annual period beginning on or after</i>
Annual Improvements 2010-2012 cycle	1 July 2014
Annual Improvements 2011-2013 cycle	1 July 2014
Annual Improvements 2012-2014 cycle	1 January 2016*
IAS 1 (amendments) <i>Disclosure initiative</i>	1 January 2016*
IFRS 9 <i>Financial instruments: Classification and Measurement</i>	1 January 2018*
IFRS 11 (amendments) <i>Accounting for acquisitions of interests in joint operations</i>	1 January 2016*
IFRS 14 <i>Regulatory Deferral accounts</i>	1 January 2016*
IFRS 15 <i>Revenue from contracts with Customers</i>	1 January 2017*
IAS 16 <i>Property, Plant &amp; Equipment</i> and IAS 38 – <i>Intangible assets</i> (amendments)	1 January 2016*
IAS 16 <i>Property, Plant &amp; Equipment</i> and IAS 41 – <i>Bearer Plants</i> (amendments)	1 January 2016*
IAS 19 (amendments) <i>Employee Benefits – Defined Benefit plans: Employee contributions</i>	1 July 2014
IAS 27 (amendments) <i>Equity Method in Separate Financial Statements</i>	1 January 2016*

The following standards, interpretations and amendments to existing standards became effective in the year ended 31 March 2015; IFRS10 Consolidated Financial Statements; IFRS11 Joint Arrangements; IFRS12 Disclosures of Interests in Other Entities; IAS27 Separate Financial Statements and CAS28 Investments in Associates and Joint Ventures. These either had no impact or resulted in presentational changes only.

\* These standards have yet to be endorsed in the EU.

Except for IFRS 15, the directors anticipate that the adoption of these Standards and Interpretations and Amendments in future periods will have no material impact on the financial statements of Altair. The potential impact of IFRS 15 is currently being evaluated.

### **3. Critical accounting judgements and estimates**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In preparing the financial information Altair has selected and applied various accounting policies which are described in the notes to the financial information. In order to apply our accounting policies Altair has made estimates and judgements concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

#### ***Revenue recognition***

Work in progress is calculated on a project by project basis using the fair value of chargeable time that is invoiced at the period end. Historic analysis shows that recovery rates of work in progress are very high; Altair does not expect any work in progress to be irrecoverable. Work in progress is reviewed on a monthly basis to ensure it is recognised appropriately, it is probably that economic benefits will flow to Altair and that the fair value can be reliably measured.

#### ***Share options calculations***

The fair values of the options at the date of grant are determined by using the Black Scholes model. The model inputs include a risk free rate of 1.8%, based on the yield on 10 year government gilts at the date of

issue, an assumed volatility of 56%, zero dividend yield and a share price at 31 March 2015 and 28 November 2014 of £3,424. Expected volatility was based upon historical information from comparable entities. The fair value of a share option at the date of grant is £3,423.

#### 4. Segmental Reporting

Altair has two reportable segments, being consultancy and interim management, the results of which are included within the financial information. IFRS 8 requires operating segments to be identified on the basis of internal reports that are regularly reviewed by the Chief Operating Decision Maker (“CODM”). In accordance with IFRS 8 ‘Operating Segments’, information on segment assets is not shown, as this is not provided to the CODM. Altair’s revenues are derived exclusively from operations in the UK. As a result, the CODM does not review segments by country or continent.

The principal activities of Altair are as follows:

Consultancy – a range of services to support the business needs of a diverse range of organisations (including housing associations and local authority) across the housing sector. The majority of consultancy projects run over one to two months requiring on-going business development to ensure a full pipeline of consultancy work for the employed team.

Interim Management – individuals are embedded within housing organisations (normally registered providers, local authorities and ALMOs) in a substantive role, normally for a specified period of time. Interim management provides Altair with a more extended forward sales pipeline as the average contract is for six months. This section of the business provides low risk as the interim consultants are placed on rolling contractual basis and provides minimal financial commitment as associates to the business, rather than employees, are used for these roles.

The accounting policies of the reportable segments are the same as Altair’s accounting policies described in note 2. Segment profit represents the profit earned by each segment, without allocation of central administration costs, including Directors’ salaries, finance costs and income tax expense. This is the measure reported to Altair’s Chief Executive for the purpose of resource allocation and assessment of segment performance.

	<i>Year ended 31 March</i>		
	<i>2013</i>	<i>2014</i>	<i>2015</i>
	<i>£</i>	<i>£</i>	<i>£</i>
Sales from Consultancy	1,600,345	1,917,193	2,481,290
Sales from Interim Management	1,107,650	921,207	1,592,967
	<u>2,707,995</u>	<u>2,838,400</u>	<u>4,074,257</u>
Cost of sales from Consultancy	1,251,706	1,380,938	1,662,149
Cost of sales from Interim Management	936,254	791,082	1,404,885
	<u>2,187,960</u>	<u>2,172,020</u>	<u>3,067,034</u>
Gross profit from Consultancy	348,639	536,255	819,141
Gross profit from Interim Management	171,396	130,125	188,082
	<u>520,035</u>	<u>666,380</u>	<u>1,007,223</u>
Administrative expenses	200,414	267,050	402,583
Operating Profit	<u>319,621</u>	<u>399,330</u>	<u>604,640</u>

## 5. Profit on ordinary activities before financing and taxation

Profit before financing and taxation is arrived at after charging:

	<i>Year ended 31 March</i>		
	<i>2013</i>	<i>2014</i>	<i>2015</i>
	<i>£</i>	<i>£</i>	<i>£</i>
Operating lease rentals for land and buildings	28,000	28,000	32,200
Auditors remuneration:			
– audit of the annual accounts of Altair	–	–	7,500
	<u>          </u>	<u>          </u>	<u>          </u>

## 6. Directors and employees

	<i>Year ended 31 March</i>		
	<i>2013</i>	<i>2014</i>	<i>2015</i>
	<i>£</i>	<i>£</i>	<i>£</i>
Wages and salaries	1,001,758	1,095,510	1,329,375
Social security costs	119,041	129,468	143,487
Other pension costs	45,588	46,577	54,574
	<u>1,166,387</u>	<u>1,271,555</u>	<u>1,527,436</u>

Wages and salaries for the year ended 31 March 2015 includes £21,516 relating to an EMI scheme set up during the year. See note 17 for further details.

The average number of employees during the year was:

Directors	4	4	4
Administration	9	11	14
	<u>13</u>	<u>15</u>	<u>18</u>

Emoluments (including pension contributions) of the directors, who are the key management personnel of Altair, are set out below:

	<i>Year ended 31 March</i>		
	<i>2013</i>	<i>2014</i>	<i>2015</i>
	<i>£</i>	<i>£</i>	<i>£</i>
Total emoluments paid to:			
Directors			
Wages & salaries	537,659	535,576	567,257
Pension costs	22,740	21,105	21,220
	<u>560,399</u>	<u>556,681</u>	<u>588,477</u>
Emoluments of highest paid director	<u>142,817</u>	<u>141,498</u>	<u>148,406</u>

Wages and salaries for key management personnel for the year ended 31 March 2015 includes £13,481 relating to an EMI scheme set up during the year. See note 17 for further details.

## 7. Finance costs

	<i>Year ended 31 March</i>		
	<i>2013</i>	<i>2014</i>	<i>2015</i>
	<i>£</i>	<i>£</i>	<i>£</i>
Interest payable on shareholder loans	18,750	18,750	13,472
Interest on tax liability	–	–	952
	<u>18,750</u>	<u>18,750</u>	<u>14,424</u>

## 8. Finance income

	<i>Year ended 31 March</i>		
	<i>2013</i>	<i>2014</i>	<i>2015</i>
	<i>£</i>	<i>£</i>	<i>£</i>
Interest income	455	2,390	2,502
	<u>455</u>	<u>2,390</u>	<u>2,502</u>

## 9. Taxation

	<i>Year ended 31 March</i>		
	<i>2013</i>	<i>2014</i>	<i>2015</i>
	<i>£</i>	<i>£</i>	<i>£</i>
Domestic current period tax			
UK corporation tax	36,009	90,250	133,197
Deferred tax			
Origination and reversal of temporary differences	–	–	(19,072)
	<u>36,009</u>	<u>90,250</u>	<u>114,125</u>
Factors affecting the tax credit for the period			
Profit before tax	301,326	382,970	592,718
Profit before tax multiplied by standard rate of UK corporation tax of 20%, 23%, 21%	60,265	88,083	124,471
Effects of:			
Non-deductible expenses	–	–	6,041
Movement in provision	–	–	(14,338)
Capital allowances	–	–	(702)
Tax losses utilised	(24,256)	–	–
Adjustment for prior years	–	–	24,851
Marginal relief	–	–	(7,126)
Other tax adjustments	–	2,167	–
	<u>36,009</u>	<u>90,250</u>	<u>133,197</u>

## 10. Trade and other receivables

	<i>As at 31 March</i>		
	<i>2013</i>	<i>2014</i>	<i>2015</i>
	<i>£</i>	<i>£</i>	<i>£</i>
Trade receivables	631,016	685,292	919,605
Other receivables	47,392	39,047	68,563
Prepayments and accrued income	31,226	23,078	34,350
Deferred tax asset	–	–	19,072
	<u>709,634</u>	<u>747,417</u>	<u>1,041,590</u>

All of the trade receivables were non-interest bearing and receivable under normal commercial terms. The directors consider that the carrying value of trade and other receivables approximates to their fair value. All trade receivables are fees due from clients. As such all debts should be recoverable over time.

The ageing profile of trade receivables were as follows:

	<i>Total</i>	<i>&lt; 30 days</i>	<i>30 – 60 days</i>	<i>60 – 90 days</i>	<i>&gt; 90 days</i>
	£	£	£	£	£
<b>31 March 2013</b>	631,016	336,577	262,665	–	31,774
<b>31 March 2014</b>	685,292	423,622	196,606	–	65,064
<b>31 March 2015</b>	919,605	516,936	368,931	7,862	25,876

#### *Deferred tax asset*

As a result of the taxation position set out in note 9, a deferred tax asset has arisen for Altair as follows:

	<i>As at 31 March</i>		
	<i>2013</i>	<i>2014</i>	<i>2015</i>
	£	£	£
Decelerated capital allowances	–	–	3,045
Other timing differences	–	–	16,027
	–	–	19,072

The deferred tax balances relate to temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are recognised to the extent that it is probable that the future taxable profits will allow the deferred tax assets to be recovered.

#### **11. Cash and cash equivalents**

As at 31 March, 2013, 2014 and 2015 cash and cash equivalents balances for Altair were as follows.

	<i>As at 31 March</i>		
	<i>2013</i>	<i>2014</i>	<i>2015</i>
	£	£	£
<b>Cash at bank and in hand</b>	367,284	852,906	1,113,959

All cash at bank is held on overnight deposit.

#### **12. Trade and other payables (current)**

	<i>As at 31 March</i>		
	<i>2013</i>	<i>2014</i>	<i>2015</i>
	£	£	£
Trade payables	118,266	159,068	265,407
Taxes and social security costs	160,439	190,753	254,030
Other payables	91,775	155,104	90,808
Accruals	68,350	123,328	258,037
Deferred income	82,103	100,948	245,226
	520,933	729,201	1,113,508

The fair value of trade and other payables approximates to book value at 31 March 2015.

Trade payables are non-interest bearing and are normally settled on 30 day terms.

Accruals and deferred income are normally settled monthly throughout the financial year.

### 13. Shareholders loans

#### *Shareholder loans repayable after 1 year*

	<i>As at 31 March</i>		
	<i>2013</i>	<i>2014</i>	<i>2015</i>
	<i>£</i>	<i>£</i>	<i>£</i>
Shareholder loans	375,000	375,000	–
	<u>375,000</u>	<u>375,000</u>	<u>–</u>

Interest of 5% is payable on the shareholder loan stock. Loan stock of £187,500 was repaid on 6th October 2014 and the remaining £187,500 was repaid on 2 March 2015.

### 14. Share capital

	<i>As at 31 March</i>		
	<i>2013</i>	<i>2014</i>	<i>2015</i>
	<i>£</i>	<i>£</i>	<i>£</i>
<b>Allotted, called up and fully paid</b>			
Ordinary shares of £1 each as at 1 April	936	936	936
Issued at £3,424 per share on 2 March 2015	–	–	37
	<u>936</u>	<u>936</u>	<u>973</u>

The ordinary shares rank equally for voting purposes and are non-redeemable. On a show of hands each member shall have one vote and on a poll each member shall have one vote per share held. Each ordinary share ranks equally for any dividend declared and rank equally for any distribution made on a winding up.

During the year, 37 ordinary shares were issued and allotted for consideration of £126,688. This consideration included the redemption of loan stock with a nominal value of £125,764.

### 15. Share Premium

	<i>As at 31 March</i>		
	<i>2013</i>	<i>2014</i>	<i>2015</i>
	<i>£</i>	<i>£</i>	<i>£</i>
In respect of ordinary shares issued on 2 March 2015	–	–	126,651
<b>Balance as at 31 March 2015</b>	<u>–</u>	<u>–</u>	<u>126,651</u>

### 16. Reserves

	<i>Retained earnings</i>	<i>Total</i>
	<i>£</i>	<i>£</i>
At 1 January 2012	(121,277)	(121,277)
Profit for the year	265,317	265,317
At 31 March 2013	<u>144,040</u>	<u>144,040</u>
Profit for the year	292,720	292,720
Ordinary dividends declared	(31,824)	(31,824)
At 31 March 2014	<u>404,936</u>	<u>404,936</u>
Profit for the year	478,593	478,593
Ordinary dividends declared	(134,370)	(134,370)
Movement in relation to share based payments	21,516	21,516
At 31 March 2015	<u>770,675</u>	<u>770,675</u>



## 17. Share based payments

### *EMI share option scheme*

No options were held or granted in the years to 31 March 2013 or 2014. Altair set up an EMI scheme during the year ended 31 March 2015 by which certain employees and directors are able to subscribe to ordinary shares in Altair. As at the 31 March 2015 19 employees, (including key management personnel) held options as follows:

<i>Date of grant</i>	<i>Number of shares under option at 31 March 2014</i>	<i>Granted during the year</i>	<i>Number of shares under option at 31 March 2015</i>	<i>Exercise price £</i>	<i>Expiry date</i>
28 November 2014	–	16	16	1	31 March 2023
28 November 2014	–	16	16	1	31 March 2024
31 March 2015	–	49	49	1	31 March 2025
		81	81		

No share options were exercisable during the year ended 31 March 2015. 16 of the EMI scheme share options will vest on 1 April 2016, a further 16 will vest on 1 April 2017 and the remaining 49 on 1 April 2018. The weighted average exercise price for all options at 31 March 2015 was £1.

### *Share based payments expenses*

The fair values of the options at the date of grant were determined by using the Black Scholes model. The model inputs were a risk free rate of 1.8%, based on the yield on 10 year government gilts at the date of issue, an assumed volatility of 56%, zero dividend yield, and a share price at 31 March 2015 and 28 November 2014 of £3,424. Expected volatility was based upon historical information from comparable entities.

<i>Date of grant</i>	<i>Exercise price £</i>	<i>Latest exercise date</i>	<i>Number of shares under option at 31 March 2015</i>	<i>Estimated fair value per option £</i>
28 November 2014	1	31 March 2023	16	3,423
28 November 2014	1	31 March 2024	16	3,423
31 March 2015	1	31 March 2025	49	3,423
			81	

The total charge to the statement of comprehensive income arising from equity-settled share-based payment transactions for the year ended 31 March 2015 was £21,516.

The total increase in equity arising from equity-settled share-based payment transactions for the year ended 31 March 2015 was £21,516 as reflected in note 16.

## 18. Financial commitments

The lease expenditure charged to the consolidated statements of comprehensive income during the year is disclosed in note 5.

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

	<i>As at 31 March</i>		
	<i>2013</i>	<i>2014</i>	<i>2015</i>
	£	£	£
Land and buildings			
Within 1 year	28,000	14,000	36,400
Within 2 – 5 years	14,000	–	127,400
	<u>42,000</u>	<u>14,000</u>	<u>163,800</u>

## 19. Pension costs – defined contribution

	<i>Year to 31 March</i>		
	<i>2013</i>	<i>2014</i>	<i>2015</i>
	£	£	£
Contributions payable by Altair for the year	<u>47,110</u>	<u>49,725</u>	<u>54,632</u>

## 20. Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of Altair by the weighted average number of ordinary shares in issue during the year.

Diluted earnings per share is calculated by dividing the net profit attributable to equity holders of Altair by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

	<i>Year to 31 March</i>		
	<i>2013</i>	<i>2014</i>	<i>2015</i>
	£	£	£
Profit attributable to the equity holders of Altair	<u>265,317</u>	<u>292,720</u>	<u>478,593</u>
Weighted average number of basic ordinary shares in issue	936	936	939
Weighted average number of diluted ordinary shares in issue	936	936	940
Earnings per share:			
Basic	283	313	510
Diluted	283	313	509

See note 17 for further details of the share options issued during the year ended 31 March 2015.

## 21. Dividends

	<i>Year to 31 March</i>		
	<i>2013</i>	<i>2014</i>	<i>2015</i>
	£	£	£
Ordinary final paid	<u>–</u>	<u>31,824</u>	<u>134,370</u>

A ordinary final dividend of £50 per share was declared and paid on 30 June 2014 (2014: £34 per share).

## 22. Related parties

During the year ended 31 March 2015, the directors received dividends totalling £109,100 (2014: £25,840; 2013: £nil).

As at 31 March 2015, the directors held loan stock with a nominal value of £nil (2014: £260,000; 2013: £nil). During the year ended 31 March 2015, loan stock held by the directors totalling £102,720 was repaid in exchange for 30 ordinary shares. The remaining loan stock was repaid during the year. The directors received loan stock interest amounting to £9,341 during the year ended 31 March 2015 (2014: £13,000; 2013: £nil).

The non-executive directors were paid fees of £11,500 during the year to 31 March 2015 (2014: £11,500; 2013: £11,500).

During the year ended 31 March 2015, the directors received share options as detailed below. The estimated fair value of each of these options at the date of grant, as further described in note 17, was £3,423.

<i>Date of grant</i>	<i>Number of shares under option at 31 March 2014</i>	<i>Granted during the year</i>	<i>Number of shares under option at 31 March 2015</i>	<i>Exercise price £</i>	<i>Expiry and latest exercise date</i>
28 November 2014	–	12	12	1	1 April 2016, 31 March 2023
28 November 2014	–	12	12	1	1 April 2017, 31 March 2024
31 March 2015	–	28	28	1	1 April 2018, 31 March 2025
		<u>52</u>	<u>52</u>		

## 23. Financial risk management

### *Foreign Exchange risk*

Foreign exchange risk is the risk of loss due to adverse movements in the exchange rates affecting Altair's profits and cash flows. Only a very small number of clients are invoiced in Euros and the foreign exchange exposure is not considered a significant risk. Altair's principal financial assets are cash and cash equivalents and trade and other receivables, which are almost exclusively denominated in Pounds Sterling.

### *Credit risk*

Credit risk is the risk of financial loss to Altair resulting from counterparties failing to discharge their obligations to Altair. Altair's principal financial assets are trade and other receivables and cash and cash equivalents.

Altair considers its credit risk to be low. Of the total trade receivables at the 2015 year end, £95,841 (2014: £72,139) is due from one customer. There are no other customers that represent more than 10% of the total balance of trade receivables. The maximum exposure to credit risk is equal to the carrying value of these instruments.

### *Liquidity risk*

Liquidity risk is the risk of Altair being unable to meet its liabilities as they fall due. Altair manages liquidity risk by maintaining sufficient cash reserves and holding banking facilities, and by continuously monitoring forecast and actual cash flows. In addition, Altair is a cash generative business with income being received regularly over the course of the year.

### ***Capital management***

Capital requirements of the Company are governed by internal requirements. Internal working capital requirements are low and the only need to retain capital is for remuneration.

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

On 22 May 2015 Altair issued 29 Ordinary shares of £1 each at a price of £5,289 per share.

#### **25. Control**

In the view of the directors, there is no one ultimate controlling party.

## PART IV (C)

### OPERATING AND FINANCIAL REVIEW OF GENERAL INDUSTRIES (INCLUDING LIQUIDITY AND CAPITAL RESOURCES AND CAPITALISATION AND INDEBTEDNESS)

*The following operating and financial review contains financial information that has been extracted or derived without material adjustment from the General Industries' financial information for the year ended 31 March 2015, which is the only relevant period, included in Part IV (A) (Historical Financial Information) prepared in accordance with IFRS.*

*The following discussion should be read in conjunction with the other information in this Document, in particular with the entire Part IV (Financial Information on the Enlarged Group). This discussion contains forward-looking statements, which, although based on assumptions that the Directors consider reasonable, are subject to risks and uncertainties which could cause actual events or conditions to differ materially from those expressed or implied by the forward-looking statements. Investors should read the notice in relation to forward looking statements contained on page 22.*

*The key risks and uncertainties, include, but are not limited to those described in the section of this Document entitled "Risk Factors" on pages 16 to 18.*

#### **Overview**

General Industries was incorporated on 9 April 2014 as an investment vehicle to identify and complete an acquisition of a company or business in the services sector which requires further funding for expansion in conjunction with a public quotation for its shares which would prove beneficial to the existing Shareholders, management, employees and shareholders of the business being acquired.

General Industries has now identified the Acquisition for which, subject to Shareholders approval of the Resolutions and Admission, it is prepared to pay £6,572,000 to be satisfied by the issue to the Sellers of the Consideration Shares at the Closing Price, which when issued will represent approximately 67.30 per cent. of the Enlarged Share Capital.

The Company has now published its financial results for the first year ended 31 March 2015, which shows cash balance of £946,207. Since the admission to the Official List of the UKLA and to the London Stock Exchange's Main Market on 28 August 2014 to date, the Company's operations have been limited to investigating potential acquisition targets and the current cash balance reflects the minor operating costs. The Company has no material liabilities other than in respect of the Acquisition.

#### **Capital resources**

General Industries' capital resources comprise its share capital and reserves.

In the period ended 31 March 2015, being the period covered by the most recently published audited financial information, cash outflow from operations totalled £36,601. Cash inflows from investing activities amounted to £2,848 and cash inflows from financing activities amounted to £979,960. No dividends on Ordinary Shares or other cash flows arose during the period.

General Industries does not forecast any restrictions on its ability to meet financial commitments as they fall due.

#### **Capitalisation and indebtedness**

The following table shows the General Industries' indebtedness (distinguishing between guaranteed and unguaranteed, secured and unsecured indebtedness) as at 31 March 2015 and the Company's capitalisation as at 31 March 2015 (being the last date in respect of which the Company has published financial information).

	<i>As at 31 March 2015</i>
	£
Total current debt	
Guaranteed	–
Secured	–
Unguaranteed/unsecured	–
Total non-current debt (excluding current portion of non-current debt)	
Guaranteed	–
Secured	–
Unguaranteed/unsecured	–
Shareholders' equity	
Share capital	515,000
Legal reserve	455,840
Other reserves	–
Total capitalisation	<u>970,840</u>

The information above has been extracted without material adjustment from the audited annual report of General Industries for the period ended 31 March 2015.

The following table shows General Industries' audited net indebtedness as at 31 March 2015.

	<i>As at 31 March 2015</i>
	£
Cash	946,207
Liquidity	<u>946,207</u>
Current financial debt	–
Net current financial indebtedness	(946,207)
Non-current financial indebtedness	–
Net financial indebtedness	<u>(946,207)</u>

The Company had no indirect or contingent indebtedness at 31 March 2015.

There has been no material change in the capitalisation and indebtedness of the Company as at 31 March 2015 (being the last date in respect of which the Company has published audited financial information). The cash balance as at 1 June 2015 was £938,721 and there were as at that date no borrowings.

## PART IV (D)

### OPERATING AND FINANCIAL REVIEW OF ALTAIR (INCLUDING LIQUIDITY AND CAPITAL RESOURCES AND CAPITALISATION AND INDEBTEDNESS)

*The following operating and financial review contains financial information that has been extracted or derived without material adjustment from the Altair's financial information for the financial years ending 31 March 2013 ("FY13"), 2014 ("FY14") and 2015 ("FY15") (all such periods being referred to herein as the "periods under review"), included in Part IV (B) (Historical financial information), prepared in accordance with IFRS (except as stated otherwise).*

*The following discussion should be read in conjunction with the other information in this Document, in particular with the entire Part IV (Financial Information on the Enlarged Group). This discussion contains forward-looking statements, which, although based on assumptions that the Directors consider reasonable, are subject to risks and uncertainties which could cause actual events or conditions to differ materially from those expressed or implied by the forward-looking statements. Investors should read the notice in relation to forward looking statements contained on page 22.*

*The key risks and uncertainties, include, but are not limited to those described in the section of this Document entitled "Risk Factors" on pages 16 to 18.*

#### Overview

The table below summarises the historical financial performance of Altair for FY13, FY14 and FY15:

£	FY13	FY14	FY15
Sales Consultancy	1,600,345	1,917,193	2,481,290
Interim management	1,107,650	921,207	1,592,967
	<u>2,707,995</u>	<u>2,838,400</u>	<u>4,074,257</u>
Cost of sales from Consultancy	1,251,706	1,380,938	1,662,149
Cost of sales from Interim Management	936,254	791,082	1,404,885
	<u>2,187,960</u>	<u>2,172,020</u>	<u>3,067,034</u>
Gross profit from Consultancy	348,639	536,255	819,141
Gross profit from Interim Management	171,396	130,125	188,082
	<u>520,035</u>	<u>666,380</u>	<u>1,007,223</u>
Administrative expenses	200,414	267,050	402,583
Operating Profit	<u>319,621</u>	<u>399,330</u>	<u>604,640</u>
KPIs			
Revenue growth	45.6%	4.8%	43.6%
Gross profit margin – overall	19.2%	23.5%	24.7%
Gross profit margin – consultancy	27.2%	34.8%	40.4%
Gross profit margin – interims	n/a	20.0%	21.0%
Operating profit margin	11.8%	14.1%	14.8%

The financial information shown in the table above has been extracted from the Historical Financial Information of Altair set out in Part IV (B) of this Document.

Altair has no subsidiary investments and therefore, the results above are all comparable from Altair's organic operations.

Over the period under review, revenue grew by 4.8 per cent. between FY13 and FY14 and 43.6 per cent. between FY14 and FY15. The revenue growth was mainly driven by the consultancy side of the business which increased by £342k and by £593k in FY14 and FY15 respectively offset by a reduction in interim management revenue in FY14.

Revenue growth is driven by a number of factors for example, increased utilisation industry regulation, housing market activity, Altair's recognition within organisations and Altair's capacity to take on contracts. Altair recruited 1.9 and 1.5 additional full time employee equivalent consultants, which equates to four and six absolute new employees respectively not adjusting for hours worked and start date, in FY14 and FY15 respectively to service additional revenue.

The gross profit margin fluctuates depending on the split of revenue streams and typically, consultancy contracts generate a 15-20 per cent. higher rate than interim management contracts.

Gross profit margin has increased over the historic period through a higher level of consultancy income and also a higher level of utilisation and disbursements charged to the customers.

In both FY14 and FY15, administrative expenses increased mainly due to an increase in support staff and also the impact of the overall expansion of the business. Interest payable represented loan stock interest.

### ***Revenue***

Altair's revenue principally comprises of:

*Consultancy services:* provision of services on a project by project basis provided mainly by employed consultants; and

*Interim management:* provision of services where a consultant is embedded with the client and provided mainly by contractors (i.e. associates).

#### *Consultancy income*

Consultancy income is the largest source of income and in FY15 has accounted for 59.0 per cent. of the total income compared to 63.7 per cent. in FY14 and 54.2 per cent in FY13.

In FY14, consultancy revenue increased mainly through Altair building its brand in the marketplace, particularly with Registered Providers. In FY15, there was a further increase through growing reputation (especially after the Cosmopolitan report commissioned by the Homes and Communities Agency and written by Altair in June 2014) and geographical growth.

The fee income represents the charge-out rates for the consultants (and to a lesser extent associates). The majority of customers are on a "time and materials" basis whereby the full time costs are charged to the customer; given charge-out rates are a function of the employees' salary, Altair can influence the gross profit margin.

Occasionally fixed rate contracts are agreed with customers mainly when the Altair has to tender or submit a proposal for a contract to secure the business. These contracts generally recover 100 per cent. of time and expenses. If these contracts recovered less than 100 per cent., there would be a direct impact on the gross profit margin and profitability of the Altair.

The steady level of repeat business (as shown in the KPIs) is generated mainly due to Altair's building its relationships in the market and being an approved supplier of consultancy services for Local Authorities and Registered Providers (i.e. on a PSA). In general, customers will have a number of companies on their PSA and the work is distributed based on each firms' specialisms.

#### *Interim management income*

Interim management is a steady revenue stream. In general, this revenue relates to longer-term contracts compared to consultancy agreements and Altair looks to have between 12 and 16 contracts ongoing at any



point in time. This is demonstrated historically, on a volume basis the number of interim contracts has been low and represented c.9 per cent. of total volume of contract engagements.

Management believes that interim management revenue decreased in FY14 compared to FY13 and FY15 due to customers being more conscious of costs in FY14 and looked to scale back its requirements. In FY15, with increased confidence in the economy and knowing that these positions could not be filled internally, it led to customers approaching Altair for assistance.

#### *Other income*

Other income relates to recharge of office costs to DMJ Consultancy Services Limited and London Housing Foundation.

#### **Key customers**

Customer relationships are important in securing continuing revenue and a strong pipeline of business. Each customer can have multiple contracts with Altair which reduces any reliance on specific contracts.

In FY15, the five largest customers accounted for 52 per cent. of Altair's total revenue compared with 31 per cent. in FY14 and 37 per cent. in FY 13 respectively. This implies that although not completely reliant on individual customers for repeat business as the five largest clients vary from year to year, Altair is slowly becoming more dependent on these larger customers and therefore maintaining good relationship with them is an important component in the preservation and growth of Altair's revenue.

36 per cent. of customers in FY13 engaged Altair for a contract in FY15. The repeat engagements in FY15 of customers engaged in FY14 amounted to 49 per cent. While this retention rate appears low, this is based on client numbers only and not turnover weighted retention. Four of the FY14 five largest customers were retained which demonstrates that the losses are generally the smaller, one-off clients of less strategic importance. New clients (or those that had not been active in either FY13 or FY14) accounted for 53 per cent. of total customer numbers in FY15.

In terms of geographic location of customers, currently Altair's revenue is largely derived from London, South East and South West. In FY14 and FY15, revenue from these locations was c.63 per cent. of total turnover compared to 71 per cent. in FY13. Both Wales and Scotland are identified as areas for further business growth, given Altair's existing awareness and contact base. At present, Altair has little presence in the Midlands (and to a lesser extent the North of England) partially due to logistical difficulties and also due to existing market competitors in these areas.

In respect of customers' organisation type, a large majority of Altair's clients are RPs, which are traditionally known as HAs, both in number of clients and recent proportion of revenue. The next group of customers is Local Authorities with revenues being largely generated by the people stream.

#### **Gross profit**

##### *Overview*

Altair considers gross profit to be a key indicator of performance to show the margin made on the chargeable time of consultants and associates. The gross profit is impacted by a number of different KPIs including utilisation, consultant numbers, charge-out rates and average contract values.

##### *Consultancy services*

In FY15 the gross profit from consultancy services amounted to £970,000 compared to £630,000 in FY14 and £400,000 in FY13 respectively. In FY14 and FY15, consultancy services generated a higher gross margin primarily due to the overall staff utilisation rate being higher at 78 per cent. (FY14: 67 per cent.; FY13: 60 per cent.). This has the impact of increasing the input to WIP without increasing direct costs (excluding discretionary bonuses).

### *Interim management*

In FY15 the gross profits from interim management amounted to £188,000 with a gross profit of £131,000 in FY14 and £172,000 in FY13. Margins earned from recruiting and placing interim managers are substantially lower than that of the consultancy practice, with the average gross margin being 20.5% in FY14 and FY15. The margin has remained consistent in these periods. This is a result of using associates (self-employed contractors) rather than employees to fill these positions. It is also reflective of the more passive involvement of the business with clients.

### *Capital resources*

Altair's capital resources comprise its share capital and reserves.

In the period ended 31 March 2015, being the period covered by the most recently published audited financial information, cash inflows from operations totalled £655,657. Cash inflows from investing activities amounted to £2,502 and cash outflows from financing activities amounted to £397,106. Dividends on Ordinary Shares totalling £134,370 were paid to ordinary shareholders in the year ended 31 March 2015. No other cash flows arose during the period.

Altair does not forecast any restrictions on its ability to meet financial commitments as they fall due.

### *Capitalisation and indebtedness*

The following table shows the Altair's indebtedness (distinguishing between guaranteed and unguaranteed, secured and unsecured indebtedness) as at 31 March 2015 and the Altair's capitalisation as at 31 March 2015 (being the last date in respect of which the Altair has published financial information).

	<i>As at 31 March 2015</i>
	£
Total current debt	
Guaranteed	–
Secured	–
Unguaranteed/unsecured	–
Total non-current debt (excluding current portion of non-current debt)	
Guaranteed	–
Secured	–
Unguaranteed/unsecured	–
Shareholders' equity	
Share capital	973
Legal reserve	126,651
Other reserves	–
Total capitalisation	<u>127,624</u>

The information above has been extracted without material adjustment from the audited annual report of Altair for the period ended 31 March 2015.

The following table shows Altair audited net indebtedness as at 31 March 2015.

	<i>As at 31 March 2015</i>
	£
Cash	1,113,959
Liquidity	<u>1,113,959</u>
Current portion of non-current debt	–
Current financial debt	–
Net current financial indebtedness	(1,113,959)
Other non-current loans	–
Non-current financial indebtedness	–
Net financial indebtedness	<u>(1,113,959)</u>

Altair had no indirect or contingent indebtedness at 31 March 2015.

There has been no material change in the capitalisation and indebtedness of Altair as at 31 March 2015 (being the last date in respect of which the Altair has published audited financial information). The cash balance as at 30 June 2015 was £1,183,235 and there were as at that date no borrowings.

## PART IV (E)

### UNAUDITED PRO FORMA FINANCIAL INFORMATION

#### E.1 ACCOUNTANT'S REPORT ON THE UNAUDITED PRO FORMA FINANCIAL INFORMATION

## Saffery Champness

CHARTERED ACCOUNTANTS

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20 July 2015

The Directors  
General Industries Plc  
56 Station Road  
Egham  
TW20 9LF

The Directors  
Beaumont Cornish Limited  
29 Wilson Street  
London  
EC2M 2SJ

Dear Sirs

#### **Accountant's Report on the unaudited pro forma financial information**

We report on the unaudited pro forma financial information as set out in this Part IV (E.2) of the prospectus dated 20 July 2015, which has been prepared on the basis described, for illustrative purposes only, to provide information about how the Acquisition of Altair Consultancy and Advisory Services Limited ("Altair") by General Industries Plc (the "Company") and Re-Admission might have affected the financial information for the year ended 31 March 2015 presented on the basis of the accounting policies adopted by the Company.

This report is required by paragraph 7 of Annex II to the Prospectus Directive Regulation and is given for the purpose of complying with that requirement and for no other purpose.

#### **Responsibilities**

It is the responsibility solely of the directors of the Company to prepare the pro forma financial information as though it had been prepared in accordance with paragraph 20.2 of Annex I of the Prospectus Directive Regulation.

It is our responsibility to form an opinion, in accordance with paragraph 7 of Annex II of the Prospectus Directive Regulation, as to the proper compilation of the pro forma financial information and to report that opinion to you.

Save for any responsibility arising under Prospectus Rule 5.5.3R(2)(f) to any person as to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or

in connection with this report or our statement, required by and given solely for the purposes of complying with item 23.1 of Annex I of the Prospectus Directive Regulation consenting to its inclusion in the Prospectus.

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

### **Basis of opinion**

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. The work that we performed for the purpose of making the report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source Documents, considering the evidence supporting the adjustments and discussing the pro forma financial information with the directors of the Company.

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

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

### **Opinion**

In our opinion:

- (a) the pro forma information has been properly compiled on the basis stated; and
- (b) such basis is consistent with the accounting policies of the Company.

### **Declaration**

For the purposes of Prospectus Rule 5.5.3R(2)(f), we are responsible for this report as part of the Prospectus and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Prospectus in compliance with paragraph 1.2 of Annex I of the Prospectus Directive Regulation.

Yours faithfully

**Saffery Champness**  
*Chartered Accountants*

## E.2 UNAUDITED CONSOLIDATED PRO FORMA FINANCIAL INFORMATION

### Introduction

The unaudited consolidated pro forma statement of net assets of the Enlarged Group set out below has been prepared on the basis set out in the notes below and in accordance with the requirements of item 20.2 of Annex I and items 1 to 6 of Annex II of the Prospectus Rules to illustrate the impact of the Acquisition and Re-Admission on the net assets of the Enlarged Group to illustrate the effect of the Acquisition and Re-Admission of Altair as if it had taken place on 31 March 2015.

The unaudited consolidated pro forma income statement of the Enlarged Group for the year ended 31 March 2015 has been prepared on the basis set out in the notes below and in accordance with the requirements of item 20.2 of Annex I and items 1 to 6 of Annex II of the Prospectus Rules to illustrate the impact of the Acquisition and Re-Admission on the results of the Enlarged Group as if they had taken place on 1 April 2014, notwithstanding the fact that the Company was incorporated on 9 April 2014.

The unaudited pro forma financial information, which has been prepared for illustrative purposes only, by its nature addresses a hypothetical situation and, therefore, does not represent the Enlarged Group's actual financial position or results. Furthermore, the unaudited pro forma financial information does not purport to represent what the Enlarged Group's financial position and results of operation actually would have been if the Acquisition of Altair and Re-Admission had been completed on the dates indicated.

The unaudited financial pro forma financial information has been prepared using accounting policies consistent with those set out in Part IV A, "Historical financial information on General Industries".

### UNAUDITED CONSOLIDATED PRO FORMA OF NET ASSETS

<i>Notes</i>	<i>The Company</i>	<i>Altair</i>	<i>Adjustment for issue costs</i>	<i>Unaudited pro forma net assets of the Enlarged Group</i>
	<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>
	£	£	£	£
<b>Current assets</b>				
Trade and other receivables	18,000	1,041,590		1,059,590
Cash and cash equivalents	946,207	1,113,959	(180,000)	1,880,166
<b>Current liabilities</b>				
Trade and other payables	2,835	1,113,508		1,116,343
Current tax liability	–	143,742		143,742
Net current assets	<u>961,372</u>	<u>898,299</u>	<u>(180,000)</u>	<u>1,679,671</u>
<b>Net assets</b>	<u>961,372</u>	<u>898,299</u>	<u>(180,000)</u>	<u>1,679,671</u>

#### Notes:

- (1) The net assets of the Company at 31 March 2015 have been extracted without material adjustment from the financial information as set out in Part IV A.2 of this Document.
- (2) The net assets of Altair at 31 March 2015 have been extracted without material adjustment from the financial information as set out in Part IV B.2 of this Document.
- (3) The adjustment of £180,000 to cash and cash equivalents represents the costs (including VAT) arising as a result of the acquisition of Altair the costs of Readmission to the Official List and to trading on the London Stock Exchange's Main Market.
- (4) The Directors consider that the substance of the acquisition of Altair by General Industries, for accounting purposes under IFRS, is that of a share based payment. In the first published consolidated accounts of the Enlarged Group, this transaction will be accounted for in line with the provisions of IFRS 2. This is on the basis that General Industries Plc, as a non-operating entity, does not meet the definition of a business and therefore is outside the scope of IFRS 3 Business Combinations. Any excess of the deemed consideration over and above the fair value of the net assets acquired will be recognised within the Income Statement on consolidation.

## UNAUDITED PRO FORMA INCOME STATEMENT

	<i>The Company</i>	<i>Altair</i>	<i>Acquisition adjustments</i>	<i>Adjustment for issue costs</i>	<i>Unaudited pro forma for the year ended 31 March 2015</i>
<i>Notes</i>	<i>6</i>	<i>7</i>	<i>8</i>	<i>9</i>	
	£	£	£	£	£
Revenue		4,074,257			4,074,257
Cost of sales		<u>(3,067,034)</u>			<u>(3,067,034)</u>
Gross profit		1,007,223			1,007,223
Other operating costs	(38,452)	<u>(402,583)</u>		<u>(180,000)</u>	<u>(621,035)</u>
<b>Operating profit</b>	<u>(38,452)</u>	<u>604,640</u>		<u>(180,000)</u>	<u>386,188</u>
Deemed cost of listing			(1,716,821)		(1,716,821)
Finance income/(costs)	2,848	<u>(11,922)</u>			<u>(9,074)</u>
<b>(Loss)/profit before tax</b>	<u>(35,604)</u>	<u>592,718</u>	<u>(1,716,821)</u>	<u>(180,000)</u>	<u>(1,339,707)</u>
Taxation (note 10)		<u>(114,125)</u>			<u>(114,125)</u>
<b>Profit for the year</b>	<u>(35,604)</u>	<u>478,593</u>	<u>(1,716,821)</u>	<u>(180,000)</u>	<u>(1,453,832)</u>

### Notes

- (5) No account has been taken of the financial performance of the Company or Altair since 31 March 2015, nor of any other event save as disclosed.
- (6) The Company's financial information for the year ended 31 March 2015 has been extracted, without material adjustment, from the financial information, as set out in Part IV A.2 of this Document.
- (7) Altair's financial information for the year ended 31 March 2015 has been extracted, without material adjustment, from the financial information, as set out in Part IV B.2 of this Document.
- (8) As described in footnote 4 to the pro forma statement of net assets, the Directors consider that the substance of the Acquisition of Altair by General Industries, for accounting purposes under IFRS, is that of a share based payment. The accounting substance of the Acquisition is deemed to be that the Company has been acquired by Altair, the legal subsidiary, with consideration in the form of equity instruments issued to the owners of the legal parent as at 31 March 2015, as reflected in the pro forma statement of net assets. The fair value of the shares deemed to have been issued by Altair has been determined from the middle market price of General Industries Plc shares at the deemed date of Acquisition, resulting in the deemed value of the consideration being £2,678,000. The fair value of the net assets of the Company at the deemed acquisition date is £961,372. The excess consideration over the fair value of the net assets acquired of £1,716,821 has been shown in the pro forma income statement as a deemed cost of listing.
- For the purposes of this pro forma income statement, the acquisition adjustments have been calculated assuming the Acquisition took place on 31 March 2015, as this is consistent with the treatment in the pro forma statement of net assets.
- (9) The adjustment of £180,000 to other operating costs represents the costs (including VAT) arising as a result of the acquisition of Altair, the costs of readmission to the Official List and to trading on the London Stock Exchange's Main Market. In the first interim and statutory financial statements after the Acquisition and Re-Admission, a review of these transaction costs will be undertaken to reflect and appropriate portion as a deduction from share premium. However, for the purposes of the pro forma income statement, the expected transaction costs have been recognised in full in profit and loss for the illustrative period.
- (10) No taxation impact has been recognised on the adjustments above as the costs arising as a result of the transaction are considered to be tax allowable expenses of the Company; no taxable profits have been reported by the Company to date.
- (11) No account has been made of any trading activity post 31 March 2015.

## PART V

### TAXATION

The following statements are intended only as a general guide to current UK tax legislation and to the current practice of HMRC and may not apply to certain Shareholders in the Company, such as dealers in securities, insurance companies and collective investment schemes, or Shareholders whose opportunity to acquire shares arose from their or another's employment. They relate (except where stated otherwise) to persons who are resident and, in the case of individuals, domiciled in the UK for UK tax purposes, who are beneficial owners of Ordinary Shares and who hold their Ordinary Shares as an investment. Any person who is in any doubt as to his tax position, or who is subject to taxation in any jurisdiction other than that of the UK, should consult his professional advisers immediately.

#### 1. Dividends

##### (a) *Withholding at source*

The Company will not be required to withhold at source on account of UK tax when paying a dividend.

##### (b) *Individual Shareholders*

An individual Shareholder who is resident in the UK (for UK tax purposes) and who receives a dividend from the Company will generally be entitled to a notional tax credit which such a Shareholder may set off against his total income tax liability on the dividend. The tax credit will be equal to 10 per cent of the aggregate of the dividend and the tax credit (the "gross dividend"), which is also equal to one-ninth of the cash dividend received.

An individual Shareholder who is liable to income tax only at the basic rate will be subject to tax on the dividend at the rate of 10 per cent of the gross dividend but the tax credit will satisfy in full such Shareholder's liability to income tax on the dividend. An individual Shareholder who is liable to income tax at the higher rate will be liable to tax on the gross dividend at the rate of 32.5 per cent. An individual Shareholder who is liable to tax at the additional rate will be liable to tax on the gross dividend at the rate of 37.5 per cent. The gross dividend will be regarded as the top slice of the Shareholder's income. After taking into account the 10 per cent tax credit, a higher rate tax payer will have to account for additional tax equal to 22.5 per cent of the gross dividend (which is also equal to 25 per cent of the net cash dividend received). An individual paying additional rate income tax will have to account for tax equal to 27.5 per cent of the gross dividend, after taking into account the 10 per cent tax credit, (which is also equal to 30.5556 per cent of the net cash dividend received).

An individual Shareholder cannot claim repayment of the tax credit from HMRC, even if the tax credit exceeds the income tax liability of the shareholder to pay income tax on the dividend in question.

Individual Shareholders who are not resident in the UK for tax purposes should consult their own advisers concerning their tax liabilities on dividends received. They should note that they will not generally be entitled to claim payment of any part of their tax credit from HMRC under any double taxation treaty or otherwise or such claim may be negligible.

##### (c) *Other Shareholders*

Shareholders who are within the charge to UK corporation tax will be subject to corporation tax on dividends paid by the Company, unless the dividends fall within an exempt class and certain other conditions are met. Whether an exempt class applies and whether the other conditions are met will depend on the circumstances of the particular Shareholder, although it is expected that the dividends paid by the Company would normally be exempt. Such Shareholders will not be able to claim repayment of tax credits attaching to dividends.

UK pension funds and charities are generally exempt from tax on dividends which they receive but they are not entitled to claim repayment of the tax credit.



## 2. Chargeable Gains

For the purpose of UK tax on chargeable gains, the amounts paid by a Shareholder for Ordinary Shares will generally constitute the base cost of his holdings in each type of security. If a Shareholder who is resident in the UK (for UK tax purposes) disposes of all or some of his Ordinary Shares, a liability to tax on chargeable gains may arise. This will depend on the base cost which can be allocated against the proceeds, the shareholder's circumstances and any reliefs to which he is entitled. In the case of corporate shareholders, indexation allowance may apply to any amount paid for the Ordinary Shares.

Individuals are entitled to a capital gains annual exemption of £11,100 for 2015/16. Trustees are generally entitled to an annual exemption of £5,550 for 2015/16. The current rate of capital gains tax for individuals liable to income tax at the higher or additional rate is 28 per cent. Individuals whose taxable income for the year in question is less than the upper limit of the basic rate income tax band (£31,785 for 2014/15) are subject to capital gains tax at the rate of 18 per cent, except to the extent that the aggregate of their total taxable income and chargeable gains (less allowable deductions) in that year exceeds the upper limit of the basic rate income tax band. Any such excess over the upper limit is subject to tax at the rate of 28 per cent. For trustees and personal representatives, the rate of capital gains tax is 28 per cent. In certain circumstances, individual shareholders with a minimum of 5 per cent. of the ordinary share capital may be entitled to entrepreneurs' relief. This relief results in a capital gains tax rate of 10 per cent. on an individual's first £10 million of capital gains.

Corporate Shareholders suffer tax on capital gains at the prevailing rate of corporation tax applicable to them (the main rate of corporation tax is currently 20 per cent). In certain circumstances, and subject to the conditions for the exemption being met, a corporate shareholder may qualify for the substantial shareholding exemption, which exempts from corporation tax gains on the disposal of shares; where the exemption applies a loss on disposal will not be allowable for tax purposes.

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

Individual shareholders who are temporarily non-UK resident may be liable to UK capital gains tax on chargeable gains realised during their period of non-residence on their return to the UK.

## 3. Stamp Duty and Stamp Duty Reserve Tax ("SDRT")

The statements below are intended as a general guide to the current position. They do not apply to certain intermediaries who are not liable to stamp duty or SDRT, or to persons connected with depository arrangements or clearance services, who may be liable at a higher rate.

In relation to stamp duty and SDRT.

- (i) The allocation and issue of the Ordinary Shares will not give rise to a liability to stamp duty or SDRT.
- (ii) Any subsequent conveyance or transfer on sale of shares will usually be subject to stamp duty on the instrument of transfer at a rate of 0.5 per cent of the amount or value of the consideration (rounded up, if necessary, to the nearest £5).
- (iii) A transfer of shares effected on a paperless basis through CREST (where there is a change in the beneficial ownership of the shares) will generally be subject to SDRT at the rate of 0.5 per cent (rounded up to the nearest penny) of the value of the consideration given.

**The above statements are intended as a general guide to the current position. Certain categories of person are not liable to stamp duty or SDRT, and others may be liable at a higher rate or may, although not primarily liable for the tax, be required to notify and account for it under the Stamp Duty Reserve Tax Regulations 1986, as amended.**

## PART VI

### GENERAL INFORMATION

#### 1. Responsibilities

The Existing Directors and to the extent different persons, the Directors on Admission whose names appear on page 25 of this Document and the Company accept responsibility, both individually and collectively, for the information contained in this Document. To the best of the knowledge of the Existing Directors and to the extent different persons, the Directors on Admission and the Company (who have taken all reasonable care to ensure that such is the case), the information contained in this Document is in accordance with the facts and contains no omission likely to affect its import.

Each of the members of the Concert Party whose names appear on page 107 of this Document, accept responsibility for the information contained in this Document relating to himself or itself. To the best of the knowledge and belief of each member of the Concert Party (who have taken all reasonable care to ensure such is the case) the information contained in this Document for which they are responsible is in accordance with the facts and there are no other facts the omission of which is likely to affect the import of such information.

#### 2. The Company

The Company was incorporated and registered in England and Wales as a public limited company on 9 April 2014 under the Companies Act 2006 with the name General Industries plc and with a registered number 8988813. The Company is domiciled in the UK and its current registered office is 56 Station Road, Egham, Surrey, TW20 9LF (telephone number: 01784 437 444). Following completion the Acquisition the Group's registered address will be Tempus Wharf, 29a Bermondsey, Wall West, London SE16 4SA (telephone number: 020 7934 0175).

The principal legislation under which the Company operates and under which the Ordinary Shares were created is the Companies Act and the regulations made thereunder. The Company operates in conformity with its constitution. The Company is subject to the Listing Rules and the Disclosure and Transparency Rules (and the resulting jurisdiction of the UK Listing Authority) to the extent such rules apply to companies with a Standard Listing pursuant to Chapter 14 of the Listing Rules.

#### 3. Share capital

3.1 On 9 April 2014, the Company issued 50,000 Founder Shares of £1.00 each to J R Wollenberg. On 29 May 2014 the Company subdivided each Founder Share into 20 Ordinary Shares of £0.05 each. On that date, the Company issued and allotted to J R Wollenberg an additional Founder Share for a subscription price of £30,000.08, such that the aggregate subscription price paid by Mr Wollenberg for the 1,000,001 Founder Shares then held by him was £0.08 per share. On the same date, Mr Wollenberg then transferred 360,000 Founder Shares to D M Joseph and 90,000 Founder Shares to D A Whitaker in each case at a price of £0.08 per Founder Share. On 24 June 2014, 9,299,999 Ordinary Shares were issued at a price of 10 pence per share pursuant to a subscription, and consequently a total of 10,300,000 Ordinary Shares of £0.05 each were on 28 August 2014 admitted to the Official List by way of a Standard Listing and to trading on the London Stock Exchange's Main Market for listed securities.

On 20 July 2015 the Company entered into the Share Purchase Agreement with the Sellers by which it has agreed to issue, subject to *inter alia* Re-Admission, 21,200,000 Ordinary Shares at the Closing Price to Altair Shareholders in consideration for the Acquisition (the "Consideration Shares").

Following completion of the Acquisition and issue of the Consideration Shares the Company's Enlarged Share Capital on Admission will consist of 31,500,000 fully paid Ordinary Shares. From Re-Admission all the Ordinary Shares will be registered from, and capable of being held in certificated or uncertificated form. The Registrar will be responsible for maintaining the share register. Temporary documents of title will not be issued. The ISIN of the Ordinary Shares is GB00BPYP3Q26 and SEDOL number BPYP3Q2.

- 3.2 The liability of the members of the Company is limited.
- 3.3 A certificate permitting the Company to do business and exercise any borrowing powers was issued by the Registrar of Companies pursuant to Section 96 of the Companies Act 2006 on 9 April 2014.
- 3.4 The issued share capital of the Company at the date of this Document, not including the Consideration Shares conditionally issued pursuant to the Acquisition, is as follows:

	<i>Issued (Fully paid) Number</i>	<i>Share Capital (£)</i>
Ordinary Shares	10,300,000	515,000.00

- 3.5 The Consideration Shares will rank in full for all dividends or other distributions hereafter declared, made or paid on the ordinary share capital of the Company and will rank *pari passu* in all other respects with all other Ordinary Shares in issue on Re-Admission. The rights attaching to the Ordinary Shares will be uniform in all respects and all of the Ordinary Shares will form a single class for all purposes.
- 3.6 There are no restrictions of transfer of the Ordinary Shares.
- 3.7 It should be noted that the UK Listing Authority will not have authority to (and will not) monitor the Company's compliance with any of the Listing Rules and/or any provision of the Model Code which the Company has indicated herein that it intends to comply with on a voluntary basis, nor to impose sanctions in respect of any failure by the Company to so comply.
- 3.8 Subject to the passing of the Resolutions at the General Meeting, the Directors shall be authorised for the purposes of Section 551 of the Act to allot up to a maximum of 39,253,772 Ordinary Shares which consists of (i) 21,200,000 Ordinary Shares comprising the Consideration Shares to be issued in connection with the Acquisition; (ii) 4,403,772 Ordinary Shares in connection with the valid exercise of the Option Shares; (iii) up to 3,150,000 Ordinary Shares in connection with the valid exercise of any share options granted to employees of the Group in accordance with the terms of the Employee Share Option Scheme; and (iv) in any other case, 10,500,000 Ordinary Shares (such amount to be reduced by any number of Ordinary Shares allotted pursuant to the authorities in paragraphs (i) to (iii) inclusive above in excess of the stated amount) such authority to expire on the date falling five years from 19 August 2015.
- 3.9 Except as stated in this Part VI:
- (a) the Company does not have in issue any securities not representing share capital; and
- (b) there are no outstanding convertible securities issued by the Company.

- 3.11 Upon Re-Admission the issued share capital of the Company will be as follows:

	<i>Issued (Fully paid) Number</i>	<i>Share capital (£)</i>
Ordinary Shares	31,500,000	1,575,000

#### 4. Significant shareholders

Save for the interests of the Existing Directors and the Proposed Directors, which are set out in paragraph 5 below, as at the date of this Document, the Directors are aware of the following holdings of Ordinary Shares which, following completion of the Acquisition and Re-Admission, will represent 3 per cent. or more of the Company's share capital:

<i>Name</i>	<i>As at the date of this Document</i>		<i>On Re-Admission</i>	
	<i>Number of Ordinary Shares</i>	<i>Percentage of Existing Ordinary Shares</i>	<i>Number of Ordinary Shares</i>	<i>Percentage of the Enlarged Share Capital</i>
S M Kane	–	–	3,279,441	10.41
C Wood	–	–	3,279,441	10.41
The Cardiff Property plc	1,000,000	9.71	1,000,000	3.17
Brook Hall Limited	1,000,000	9.71	1,000,000	3.17

Except for the holdings of the Existing Directors, the Proposed Directors and the holdings stated above, the Directors are not aware of any persons, other than the Concert Party (as described in Part B of Part VII of this Document) who, directly or indirectly, jointly or severally, exercise or could exercise control over the Company.

Any person who is directly or indirectly interested in 3 per cent. or more of the Company's issued share capital, is required to notify such interest to the Company in accordance with the provisions of chapter 5 of the Disclosure Rules, any such interest will be notified by the Company to the public.

Those interested, directly or indirect in 3 per cent. or more of the issued share capital of the Company do not now, and, following the Admission, will not, have different Voting Rights from other holders of Ordinary Shares.

#### 5. Directors' Interests

As at the date of this Document and following completion of the Acquisition and Re-Admission, the interests of the Existing Directors and the Proposed Directors (including any Connected Persons) in the share capital of the Company, all of which are beneficial, are and will be as follows:

<i>Name</i>	<i>As at the date of this Document</i>		<i>On Re-Admission</i>	
	<i>Number of Ordinary Shares beneficially owned, controlled or directed, directly or indirectly</i>	<i>Percentage of Existing Ordinary Shares</i>	<i>Number of Ordinary Shares beneficially owned, controlled or directed, directly or indirectly</i>	<i>Percentage of the Enlarged Share Capital</i>
<b>Existing Directors</b>				
J R Wollenberg	2,010,001*	19.51	3,808,405**	12.09
The Cardiff Property plc***	1,000,000	9.70	1,000,000	3.17
D M Joseph	1,072,000	10.41	2,870,402	9.11
D A Whitaker****	268,000	2.60	268,000	0.85
J Zitron	1,000,000	9.70	2,798,402	8.88
<b>Proposed Directors</b>				
S F Douglas	–	–	3,279,441	10.41
F M Underwood	–	–	3,279,441	10.41

- \* 400,000 of these Ordinary Shares are held by immediate family members of J R Wollenberg
- \*\* 1,838,724 of these Ordinary Shares will be held by immediate family members of J R Wollenberg
- \*\*\* The Cardiff Property plc is a company controlled by the Wollenberg family
- \*\*\*\*178,000 of these Ordinary Shares are held jointly with his wife, Mrs N Whitaker

## **6. Articles of Association**

6.1 The Company's objects are unlimited.

6.2 The Articles of Association of the Company, contain, *inter alia*, the following provisions relating to the rights attaching to Ordinary Shares:

- (a) there are no rights of pre-emption in respect of transfers of issued Ordinary Shares. However, in certain circumstances, the Company's shareholders may have statutory pre-emption rights under the Act in respect of the allotment of new shares in the Company. These statutory pre-emption rights would require the Company to place new shares for allotment of existing shareholders on a pro-rata basis before allotting them to other persons. In such circumstances, the procedure for the exercise of such statutory pre-emption rights would be set out in the documentation by which such shares are offered to the Company's shareholders;
- (b) in order to transfer Ordinary Shares, the instrument of transfer of any such shares must be in any usual or common form or in such other form as may be approved by the Directors and must be executed by or on behalf of the transferor and, if the shares are not fully paid, by or on behalf of the transferee. The Articles of Association contain no restrictions on the free transferability of fully paid shares, provided that the transfer is in respect of only one class of share and is accompanied by the share certificate and any other evidence of title required by the Directors and that the provisions in the Articles of Association relating to the deposit of instruments for transfer have been complied with;
- (c) each Ordinary Share confers the rights to receive notice of and attend all meetings of shareholders. Each holder of Ordinary Shares present at a general meeting in person or by proxy has one vote, and, on a poll, one vote for each Ordinary Share of which he is a holder;
- (d) on a winding up a liquidator may, with the sanction of an extraordinary resolution of the Company, divide amongst the holders of the Company's shares (*in specie* or in kind) the whole or any part of the assets of the Company, and may, with the like sanction, determine how such division is to be carried out;
- (e) the Ordinary Shares confer upon their holders the right to participate in any profits which the Company may from time to time determine to distribute in respect of any financial period;
- (f) subject to the provisions of the Act and if the profits of the Company justify such payments, the Directors may declare and pay interim dividends on shares of any class of such amounts as and when they think fit. All dividends are apportioned and paid *pro-rata* according to the amounts paid on the shares. No dividend or other monies payable on or in respect of a share will bear interest as against the Company. The Directors may retain any dividend or other monies payable on or in respect of a share on which the Company has a lien, and may apply them towards the satisfaction of the debts, liability or engagements in respect of a lien. A dividend may be retained if a shareholder has failed to comply with the statutory disclosure requirements of the Act. Any dividend unclaimed for 12 years will be forfeited and revert to the Company;
- (g) Subject to the provisions of the Act, the Company may purchase any of its own shares, provided that the terms of any contract under which the Company will or may become entitled or obliged to purchase its own shares be authorised by special resolution of the Company in a General Meeting before the Company enters into such a contract.

- (h) all or any of the rights or privileges attached to any class or shares in the Company may be varied or abrogated with the consent in writing of the holders of three-fourths in nominal value of the issued shares of that class or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of the shares of that class. At every such separate general meeting the quorum is two persons holding or representing by proxy one-third in nominal value of the issued shares of that class.
- (i) the Company may make arrangements for any class of its shares to be issued in uncertificated form and in accordance with and subject as provided in the CREST Regulations and transfer of title of those shares shall be effected by means of a relevant system in the manner provided for and subject as provided for in the CREST Regulations. Shares held in certificated form may be changed to uncertificated form and those held in uncertificated form may be changed to certificated form.

## 7. Options

### *Replacement Unapproved Options*

7.1 By option certificates dated 24 June 2014 issued by the Company, each of J R Wollenberg, D M Joseph and D A Whitaker was granted an unapproved option to subscribe at a price of 10 pence per share for such number of shares representing, in the case of J R Wollenberg, 5 per cent. of the Ordinary Shares in issue at the date of exercise; in the case of D A Joseph, 3 per cent. of such Ordinary Shares, in the case of D A Whitaker, 2 per cent.

By option certificates dated 10 November 2014 issued by the Company, J Zitron was granted unapproved options to subscribe at a price of 26 pence per share 300,000 Ordinary Shares, with an expiry date of 22 August 2019.

Each of J R Wollenberg, D M Joseph, and D A Whitaker have each agreed by way of Deeds of Cancellation and Replacement dated 20 July 2015 to cancel their existing unapproved options in consideration of the grant to each of them of the Replacement Unapproved Options, which are each in respect of the number of Ordinary Shares as is equal to, in each case the above percentages of the Existing Ordinary Shares only.

In addition, J Zitron has agreed by way of Deed of Cancellation and Replacement dated 20 July 2015 to cancel his existing unapproved options in consideration of the grant to him of the Replacement Unapproved Options. Consequently the Replacement Unapproved Options shall entitle the holders to subscribe for the following numbers of Ordinary Shares:

<i>Option Holder</i>	<i>Number of Ordinary Shares</i>
J R Wollenberg	515,000
D M Joseph	309,000
D A Whitaker	206,000
J Zitron	300,000
<b>Total</b>	<u>1,330,000</u>

### ***New Unapproved Options***

- 7.2 Subject to completion of the Acquisition and Re-Admission, the following Proposed Directors will also hold unapproved options to subscribe for the following numbers of Ordinary Shares at the Closing Price.

<i>Proposed Director</i>	<i>Number of Options held in relation to Ordinary Shares</i>
S F Douglas	340,000
F M Underwood	340,000
<b>Total</b>	<u>680,000</u>

In addition to the Proposed Directors listed above, the following Altair Directors will also hold unapproved options to subscribe for Ordinary Shares at the Closing Price:

<i>Altair Director</i>	<i>Number of Options held in relation to Ordinary Shares</i>
S M Kane	340,000
C Wood	340,000
<b>Total</b>	<u>680,000</u>

- 7.3 The holders of all the above Unapproved Options may exercise them at any time up to 20 July 2020. Exercise is by notice in writing lodged at the Company's registered office accompanied by a cheque or bankers' draft for the appropriate remittance. The Company is obliged to allot the appropriate number of Ordinary Shares and despatch definitive share certificates within 30 days of receiving such notice.
- 7.4 If at any time either (a) a general offer is made to acquire all the issued shares of the Company or the part thereof which is not already owned by the offeror and/or any company controlled by the offeror and such offer has become or been declared unconditional, or (b) any scheme of arrangement shall become effective whereby more than 50 per cent. of the issued shares of the Company carrying a right to vote in general meetings of the Company shall become vested in another person or in any combination of persons acting in concert:
- (i) provided that the option remains exercisable the option holder may at any time within six months thereafter exercise this option (either in whole or in part); and
  - (ii) the Company shall endeavour to procure that the offeror shall offer to acquire any shares which are allotted to the option-holder pursuant to the exercise of this option upon the same terms as those upon which the shares were acquired by the offeror pursuant to the said general offer or scheme of arrangement.
- 7.5 If an order is made or an effective resolution is passed on or before the final exercise date of the Unapproved Options for the voluntary winding up of the Company (except for the purpose of reconstruction or amalgamation) each holder of Unapproved Options will be treated as if he had exercised his Unapproved Options immediately before the passing of the resolution and will be entitled to receive out of the assets available in the liquidation *pari passu* with the holders of the Ordinary Shares such a sum as he would have received if he had actually held such Ordinary Shares less the aggregate subscription price of such Ordinary Shares under the terms of the Options. Subject to this, Options shall lapse on the liquidation of the Company.

## *Employee Share Option Scheme*

7.6 Following Re-Admission, the Company intends to adopt a share option scheme for the benefit of employees of the Company and/or Altair. It is expected that the employee share option scheme (the “**Scheme**”) will be an approved enterprise management incentive scheme on the following terms:

(a) *Eligibility*

The Scheme is designed for employees who work for a member of the Group and enables selected employees to be granted a right to subscribe for Ordinary Shares in the Company at a certain price if certain conditions are satisfied.

(b) *Rollover Options*

Prior to Re-Admission, 20 Eligible Employees, including the Altair Directors, are the holders of existing options to subscribe for up to 81 ordinary shares of £1.00 each in the capital of Altair. On Re-Admission, the Eligible Employees shall each enter into a deed of surrender and grant pursuant to which they shall surrender all rights in respect of the existing options and in exchange receive options to subscribe for a total of 1,713,772 Ordinary Shares at £0.05 per share under the terms of the Scheme (the “**Rollover Options**”). The Rollover Options will entitle the Eligible Employees thereof to subscribe for Ordinary Shares representing 4.84 per cent. of the Diluted Enlarged Ordinary Share Capital of the Company assuming full exercise of all Options granted.

The Rollover Options can be exercised in tranches from 1 April 2016. The exercise price for the Rollover Options will be the nominal value of the Ordinary Shares.

The Altair Directors receiving Rollover Options are members of the Concert Party and further details of the number of Rollover Options granted to them are set out in Part VII of this Document.

(c) *Awards*

The number of Ordinary Shares subject to options granted pursuant to the Scheme (or any other share option arrangement) in any ten year period is limited to 10 per cent. of the issued Ordinary Shares from time to time. These limits do not include rights to Ordinary Shares which have lapsed or been surrendered nor does it include the Rollover Options or the New or Replacement Unapproved Options described above.

(d) *Performance Conditions*

Options over Ordinary Shares to be granted under the Scheme following the date of Re-Admission (but excluding the Rollover Options) will typically be subject to a vesting period of between one and nine years to be determined by the Board.

Options granted under the Scheme will be subject to performance conditions on exercise to be determined by the Board from time to time and to the extent that such performance conditions are not met, the options granted under the Scheme cannot be exercised.

If the holders of options granted under the Scheme cease to be employed by the Group, they may be entitled at the sole discretion of the Board to exercise a proportion of their options granted under the Scheme depending on the circumstances of their cessation of employment. To the extent that the Board does not permit such options to be exercisable then they shall lapse.

In the event of a takeover or a disposal of a substantial part of the business and assets of the Company prior to the vesting date, all options granted pursuant to the Scheme will become fully exercisable subject to the satisfaction of any relevant performance conditions.

In the event of a variation to the share capital of the Company by way of capitalisation, rights issue, consolidation, sub-division or otherwise, the Board may, with the prior approval of the



Shareholders, adjust the number and description of the Ordinary Shares subject to an option granted pursuant to the Scheme and/or exercise price to ensure that it reflects the value originally contemplated.

(e) *Tax*

Exercise of any option granted pursuant to the Scheme is conditional upon the relevant holder providing the Company with sufficient funds, or appropriate deductions being made by the Company (including through the sale of Ordinary Shares) to meet any withholding tax liability.

(f) *General*

Options granted pursuant to the Scheme are non-transferrable and governed by the laws of England and Wales. The value of any benefit realised pursuant to the Scheme shall not be taken into account in determining any pension or similar entitlements.

## 8. Working capital

The Company is of the opinion that the working capital available to the Group is sufficient for its present requirements, that is, for at least the next twelve months from the date of this Document.

## 9. Further disclosures on Directors on Admission

9.1 In addition to their directorships of the Company, the Directors are, or have been, members of the administrative, management or supervisory bodies (“directorships”) or partners of the following companies or partnerships, at any time in the five years prior to the date of this Document.

### Jeffrey Curtis Zitron

#### Current directorships and partnerships

Altair Consultancy and Advisory Services Limited  
The Royal Borough of Kensington and Chelsea Tenant Management Organisation Limited  
TIAA Limited

#### Past directorships and partnerships

DMJ Consultancy Services Limited  
UK Housing and Research Services Limited  
Firsa Limited  
Financial Information Company Limited

### Steven Franklyn Douglas

#### Current directorships and partnerships

Altair Consultancy and Advisory Services Limited  
Amicus Group Limited  
Rich Mix Cultural Foundation  
Rich Mix Cultural Enterprises Limited  
Commonweal Housing Limited  
Avenue Lettings and Management Limited

#### Past directorships and partnerships

Douglaswood Limited  
Steve Douglas Associates Limited

### Fiona May Underwood

#### Current directorships and partnerships

Bromford Housing Group Limited  
Underwood Consulting (UK) Limited  
Altair Consultancy and Advisory Services Limited  
UK Housing Consultancy Limited

#### Past directorships and partnerships

None

**Derek Maurice Joseph****Current directorships and partnerships**

A2Dominion Housing Group Ltd  
 Airways Charitable Trust Ltd  
 ACG Rented Properties PLC  
 ACG Services Ltd  
 Basepoint Ltd  
 Altair Consultancy & Advisory Services Ltd  
 Basepoint Centres Ltd  
 UK Housing & Research Services Ltd  
 Gatehouse Properties Ltd  
 Managed Enterprise System Hosting Ltd  
 Bramah House Ltd  
 London Housing Foundation Ltd  
 First Choice Estates Plc  
 DMJ Consultancy Services Ltd  
 Tempus Wharf Freehold Ltd  
 Pioneer Theatres Ltd  
 Welling & Partners Ltd  
 Compare Workspace Ltd

**Past directorships and partnerships**

Financial Information Company Ltd  
 Firsa Ltd  
 General Industries Ltd (now Galileo Resources Ltd)  
 Tribal Treasury Services Ltd  
 Tilfen Land Ltd  
 Homeless International  
 Kingsbridge Residential Ltd  
 Affordable Property Management Limited  
 Sinton Media Limited  
 UK Housing Consultancy Limited  
 Northernrain Ltd  
 Airways Homes IV Assured Tenancies plc  
 Airways V Home Ownership plc  
 BHAT Ltd  
 ACG Developments Ltd  
 Morley Lodge Properties Ltd  
 Murehouse Properties Ltd

**John Richard Wollenberg****Current directorships and partnerships**

Cardiff Property Public Limited Company (The)  
 Cardiff Property (Construction) Ltd  
 First Choice Estates plc  
 Village Residential plc  
 Wadharna Holdings Ltd  
 Thames Valley Retirement Homes Ltd  
 The Land Bureau Ltd  
 Campmoss Property Company Ltd  
 Campmoss Property Developments Ltd  
 Campmoss Property (Tanglely Place) Ltd  
 West End Tst. Ltd  
 Galileo Resources plc

**Past directorships and partnerships**

Kiwarra Ltd  
 Rocott Developments Ltd  
 MC502 Limited  
 Campmoss Property (Farnham Common) Ltd

## 9.2 Directors' confirmations:

Save as disclosed in this Document, at the date of this Document none of the Directors:

- (a) has any unspent convictions;
- (b) has been a director of any company which, at that time or within 12 months after his ceasing to be a director, became bankrupt, had a receiver appointed or was liquidated (other than solvent liquidations);
- (c) has had any public criticism against him by statutory or regulatory authority; or
- (d) has any conflict of interest in performing his duties as director of the Company.

## 10. Directors' terms of employment and engagement

The Company has entered into the following agreements with the Directors:

On 7th August 2014, John Richard Wollenberg entered into a fixed term employment contract for an initial fixed term of one year and thereafter employment will continue until terminated by the Company giving 12 months' prior notice or the employee giving six months' prior notice save in the case of breach of contract when Mr Wollenberg can be dismissed without notice. Mr Wollenberg is currently paid a salary of £2,500 per annum.

The existing employment contract with Mr Wollenberg will be terminated and replaced by a letter of appointment as a non-executive director of the Company pursuant to which he will be entitled to receive a fee of £4,000 per annum. The fees shall be payable by the Company quarterly in arrears and in addition Mr Wollenberg shall be entitled to be reimbursed all reasonable out of pocket expenses properly incurred on Company business. The term of the letter of appointment shall be for an initial term of one year and can be terminated by the Company at any time on three months' notice in writing.

Save as set out above, Mr Wollenberg is not entitled to any other material employee benefits.

On 7th August 2014, Derek Maurice Joseph entered into a letter of appointment with the Company pursuant to which he is entitled to receive a fee of £1,000 per annum. The fees are payable by the Company quarterly in arrears and in addition Mr Joseph is entitled to be reimbursed all reasonable out of pocket expenses properly incurred on Company business. The term of the letter of appointment was for an initial term of one year and can be terminated by the Company at any time on three months' notice in writing. Mr Joseph's letter of appointment shall be terminated and replaced with a service contract with the Company commensurate to his role as Finance Director of the Company on Re-Admission.

Mr Joseph's service agreement shall run for an indefinite term and require each party to give six months' notice of termination, save that the Company's notice period is extended to twelve months in connection with, and within twelve months immediately following, a change of control of the Company.

The annual salary of Mr Joseph pursuant to the terms of his service agreement shall be £4,000 and in addition, Mr Joseph shall be eligible to participate in certain other employee benefits which are offered to employees of the Group from time to time.

Save as set out above, Mr Joseph is not entitled to any other material employee benefits.

On Re-Admission, the Company shall enter into service contracts with Steven Douglas and Fiona Underwood (the "**Executive Directors**") commensurate to their respective roles as Joint Chief Executive Officer of the Company. Each Executive Director's service agreement shall run for an indefinite term and require each party to give six months' notice of termination, save that the Company's notice period is extended to twelve months in connection with, and within twelve months immediately following, a change of control of the Company.

The annual salary of each Executive Director pursuant to the terms of his or her service agreement shall be £100,000 and in addition, the Executive Directors are also eligible to participate in certain other employee benefits which are offered to employees of the Group from time to time.

Each Executive Director shall also be entitled to Company contributions equivalent to 6% of basic annual salary into a Group defined contribution pension scheme provided that the Executive Director makes contributions equivalent to 3 per cent. of basic annual salary.

The Company shall be entitled to immediately terminate Mr Joseph's service agreement without notice and with no liability to make any further payment to Mr Joseph and/or the Executive Directors in certain circumstances, which include Mr Joseph and/or an Executive Director committing a material breach of the service contract or an act of gross misconduct or where Mr Joseph and/or an Executive Director is negligent or incompetent in performing his or her duties.

The service agreements for each of Mr Joseph and the Executive Directors include confidentiality undertakings not limited in time and post-termination non-compete restrictions for a period of 6 months

following termination and post-termination non-solicitation restrictions for a period of 12 months following termination.

On 10th September 2014, Jeffrey Curtis Zitron entered into a letter of appointment with the Company pursuant to which he is entitled to receive a fee of £1,000 per annum. The fees are payable by the Company quarterly in arrears and in addition Mr Zitron is entitled to be reimbursed all reasonable out of pocket expenses properly incurred on Company business. The term of the letter of appointment was for an initial term of one year and can be terminated by the Company at any time on three months' notice in writing. Mr Zitron's letter of appointment shall be amended on Re-Admission to confirm his appointment as non-executive chairman of the Company and Mr Zitron shall be entitled to an increased annual fee of £7,500.

The Company has not entered into service contracts or letters of appointment with any other Director other than as described above.

Susan Kane and Christopher Wood (the "**Executive Altair Directors**") have each entered into service agreements with Altair dated 12th May 2011, with a commencement date of employment of 1st February 2011. Each Executive Altair Director is designated as a Partner. The service contracts run for an indefinite term and require each party to give six months' notice of termination, save that Altair's notice period is extended to twelve months in connection with, and within twelve months immediately following, a change of control (which would include the Acquisition). The Executive Altair Directors also participate in the Altair defined contribution pension scheme as described in paragraph 11 below.

Altair may immediately terminate the service agreements without notice and with no liability to make any further payment to the Executive Altair Director in certain circumstances, which include the Executive Altair Director committing a material breach of the service contract or an act of gross misconduct or where the Executive Altair Director is negligent or incompetent in performing his duties.

The service agreements include confidentiality undertakings not limited in time and post-termination restrictions for a period of 6 months following termination.

The annual salary of each Executive Altair Director pursuant to the terms of his service contract is £100,000 and in addition, the Executive Altair Directors are also eligible to participate in certain other employee benefits which are offered to employees from time to time.

Save as set out above, the Executive Altair Directors are not entitled to any other material employee benefits.

## **11. Pension Arrangements**

Save as described below, there are no pensions or other similar arrangements in place with the Directors nor are any such arrangements proposed.

Fiona Underwood, Steven Douglas and Derek Joseph, being Directors are entitled to receive a Company contribution equivalent to 6 per cent. of basic annual salary into a Group defined contribution pension scheme provided that the individual makes contributions equivalent to 3 per cent. of basic annual salary under the terms of their respective service agreements.

Certain employees of Altair, including the Altair Directors, are members of Altair's defined contribution pension scheme, pursuant to which Altair contributes up to 6 per cent. of the employee's basic salary provided that the employee contributes a minimum of 3 per cent. of their annual salary into the scheme.

## **12. Employees**

As at the date of this Document, the Company had no employees. Following completion of the Acquisition and Re-Admission, the Enlarged Group will have 26 employees.

### **13. Property**

#### ***Tenure – Freehold***

Directly following the Acquisition the Company will own no freehold properties.

#### ***Tenure – Leasehold***

Directly following the Acquisition the Company will have an interest in the following leasehold properties:

Tempus Wharf, 29a Bermondsey, Wall West, London SE16 4SA

The property is occupied jointly with London Housing Foundation for a term of five years commencing on 29th September 2014 at an annual rent with no review of £52,000 per annum. Altair contribute 70 per cent. to the costs of occupying the property with London Housing Foundation contributing the remaining 30 per cent.

### **14. Subsidiaries**

As at the date of this Document, neither the Company nor Altair are part of a group. Following completion of the Acquisition and Admission, Altair will be a wholly owned subsidiary of the Company.

### **15. Statutory auditor**

The auditor of the Company is Saffery Champness, whose registered address is at Lion House, Red Lion Street, London WC1R 4GB. Saffery Champness was the auditor of the Company for the whole period covered by the financial information set out in Part IV (*Historical Financial Information*). Saffery Champness is registered to carry out audit work by the Institute of Chartered Accountants in England and Wales.

### **16. Dilution of Ordinary Share Capital**

The Acquisition will result in the Existing Ordinary Shares being diluted so as to constitute approximately 32.70 per cent. of the Enlarged Share Capital.

### **17. Related Party Transactions**

None save as described elsewhere in this Document.

### **18. Significant Change**

#### ***General Industries***

Since 31 March 2015 (being the date as at which the financial information contained in Part IV has been prepared), there has been no significant change in the financial or trading position of the Company.

#### ***Altair***

Since 31 March 2015 (being the date as at which the financial information contained in Part IV has been prepared), there has been no significant change in the financial or trading position of Altair.

### **19. CREST**

CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by a written instrument. The Articles permit the holding of Shares under the CREST system. Accordingly, settlement of transactions in the Ordinary Shares following Admission may take place within CREST if any Shareholder so wishes.

However, CREST is a voluntary system and Shareholders who wish to receive and retain share certificates are able to do so. Subscribers may elect to receive Ordinary Shares in uncertificated form if such investor is a system-member (as defined in the CREST Regulations) in relation to CREST.

## **20. City Code**

The City Code applies to the Company.

The City Code is issued and administered by the Takeover Panel. The Takeover Panel has been designated as the supervisory authority to carry out certain regulatory functions in relation to takeovers pursuant to the Directive on Takeover Bids (2004/25/EC) (the “Directive”). Following the implementation of the Directive by the Takeovers Directive (Interim Implementation) Regulations 2006, the rules in the City Code which are derived from the Directive now have a statutory basis.

The City Code applies to all takeovers and merger transactions, however effected, where, *inter alia*, the offeree company is a public company which has its registered office in the United Kingdom, the Isle of Man or the Channel Islands, if the company has its securities admitted to trading on a regulated market in the United Kingdom or on any stock exchange in the Channel Islands or the Isle of Man. The City Code will therefore apply to the Company from Admission and its Shareholders will be entitled to the protection afforded by the City Code.

Under Rule 9 of the City Code, where: (i) any person acquires, whether by a series of transactions over a period of time or not, an interest in shares which (taken together with shares in which persons in which he is already interested and in which persons acting in concert with him are interested) carry 30 per cent. or more of the voting rights of a company subject to the City Code; or (ii) any person who, together with persons acting in concert with him, is interested in shares which in the aggregate carry not less than 30 per cent. but not more than 50 per cent. of the voting rights of such a company, if such person, or any person acting in concert with him, acquires an interest in any other shares which increases the percentage of shares carrying voting rights in which he is interested, then, except with the consent of the Takeover Panel, he, and any person acting in concert with him, must make a general offer in cash to the holders of any class of equity share capital whether voting or non-voting and also to the holders of any other class of transferable securities carrying voting rights to acquire the balance of the shares not held by him and his concert party.

Save where the Takeover Panel permits otherwise, an offer under Rule 9 of the City Code must be in cash and at the highest price paid within the 12 months prior to the announcement of the offer for any shares in the company by the person required to make the offer or any person acting in concert with him. Offers for different classes of equity share capital must be comparable; the Takeover Panel should be consulted in advance in such cases.

The Act provides that if an offer is made in respect of the issued share capital of the Company, the offeror is entitled to acquire compulsorily any remaining shares if it has received acceptances amounting to 90 per cent. in value of the shares to which the offer relates, subject to the rights of any shareholders who have not accepted the offer to apply to the Court for relief. Certain time limits apply.

## **21. Material contracts**

Other than:

- the Directors’ service contracts summarised at paragraph 10 of this Part VI above;
- the New Unapproved Options and Replacement Unapproved Option Deeds summarised at paragraph 7 of this Part VI above;
- the Share Purchase Agreement described in paragraph 1 of Part III of this Document;
- the Lock-in Agreements described in paragraph 2.2 of Part III of this Document; and
- the Relationship Agreement described in paragraph 2.1 of Part III of this Document,

neither the Company nor Altair has entered into any material contracts during the period of two years ending on the date of this Document performance of which remains outstanding in any material respect.

## **22. Other Information**

- (a) There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) since incorporation which may have or have had in the recent past significant effects on the Company's or Altair's financial position or profitability.
- (b) There are no patents or other intellectual property rights, licences or particular contracts which are of fundamental importance to the Company's business.
- (c) There are no significant investments in progress.
- (d) No exceptional factors have influenced the Company's activities.
- (e) Saffery Champness has given and not withdrawn its consent to the inclusion in this Document of its accountant's report and report on the unaudited pro-forma statement of net assets in Part IV in the form and context in which it is included and has authorised the contents of that report for the purposes of Rule 5.5.3R(2)(f) of the Prospectus Rules.
- (f) Beaumont Cornish is acting as financial adviser to the Company in relation to Admission and has given and not withdrawn its written consent to the issue of this Document with the inclusion of the name and references to it in the form and context in which they appear.
- (g) The expenses of the Acquisition and the Admission to Official List are estimated at £180,000, including VAT and are payable by the Company.
- (h) Where information contained in this Document has been sourced from a third party, the Company and the Directors confirm that such information has been accurately reproduced and, so far as they are aware and have been able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.
- (i) In the opinion of the Directors, no capital is required to be raised to provide the sums required in respect of the matters specified in paragraph 21 of Schedule 1 of the Regulations, which is as follows:
  - (i) purchase price of property – £nil;
  - (ii) expenses – £150,000;
  - (iii) repayment of any monies borrowed – £nil;
  - (iv) working capital – £nil

## **23. Availability of this Document and documents for inspection**

Copies of the following documents will be available for inspection from the registered office of the Company during normal office hours (except Saturdays, Sundays and public holidays) and from the Company's website [www.general-industries.co.uk](http://www.general-industries.co.uk) from the date of publication of this Document until the day following the General Meeting.

- (a) the memorandum and articles of association of the Company;
- (b) the memorandum and articles of association of Altair;
- (c) undertakings from David Arthur Whitaker, John Richard Wollenberg, Derek Maurice Joseph, Jeffrey Curtis Zitron referred to in paragraph 9 of Part I of this Document;
- (d) documents relating to the financing of the transaction comprising the Share Purchase Agreement, the Relationship Agreement and Lock-in Agreements referred to in Part III of this Document;
- (e) the audited accounts of the Company for the year ended 31 March 2015;
- (f) the audited accounts of Altair for the three year period ended 31 March 2013, 2014 and 2015;

- (g) the unaudited pro forma financial information of the Enlarged Group;
- (h) Directors' service contracts and letters of appointments referred to in paragraph 10 of this Part VI;
- (i) Material contracts referred to in paragraph 21 of this Part VI;
- (j) Letters of consent referred to in paragraph 22 of this Part VI; and
- (k) This Document.

20 July 2015



## PART VII

### THE CITY CODE

#### A. DEFINITIONS

For the purposes of this Part VII:

<b>“acting in concert”</b>	has the meaning attributable to it in the Takeover Code.
<b>“arrangement”</b>	includes any indemnity or option arrangements, and any agreement or understanding, formal or informal, of whatever nature, relating to relevant securities which may be an inducement to deal or refrain from dealing.
<b>“connected adviser”</b>	has the meaning attributable to it in the Takeover Code.
<b>“connected person”</b>	has the meaning attributable to it in section 252 of the Act.
<b>“control”</b>	means an interest, or interests, in shares carrying in aggregate 30 per cent. or more of the voting rights attributable to the share capital of a company, which are currently exercisable at a general meeting, irrespective of whether such interest or interests give de facto control (and “controlling” and “controlled by” shall be construed accordingly).
<b>“dealing” or “dealt”</b>	includes the following: <ul style="list-style-type: none"><li>(i) the acquisition or disposal of relevant securities, of the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to relevant securities, or of general control of relevant securities;</li><li>(ii) 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;</li><li>(iii) subscribing or agreeing to subscribe for relevant securities;</li><li>(iv) the exercise of conversion, whether in respect of new or existing securities, of any relevant securities carrying conversion or subscription rights;</li><li>(v) 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; or</li><li>(vi) entering into, terminating or varying the terms of any agreement to purchase or sell relevant securities;</li><li>(vii) the redemption or purchase of, or taking or exercising an option over any of its relevant securities by the Company or the Concert Party; and</li><li>(viii) 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.</li></ul>

<b>“derivative”</b>	includes any financial product whose value in whole or in part is determined directly or indirectly by reference to the price of an underlying security but which does not include the possibility of delivery of such underlying security.
<b>“disclosure date”</b>	means 17 July 2015, being the latest practicable date prior to the posting of this Document.
<b>“disclosure period”</b>	means the period commencing on 20 July 2014, being the date 12 months prior to the date of the posting of this Document and ending on the disclosure date.
being <b>“interested”</b>	in relevant securities includes where a person: <ul style="list-style-type: none"> <li>i. owns relevant securities;</li> <li>ii. 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;</li> <li>iii. by virtue of any agreement to purchase, option or derivative, has the right or option to acquire the relevant securities or call for their delivery or is under an obligation to take delivery of them, whether the right, option or obligation is conditional or absolute and whether it is in the money or otherwise; or</li> <li>iv. is party to any derivative whose value is determined by reference to its price and which results, or may result, in his having a long position in it.</li> </ul>
<b>“relevant Altair securities”</b>	means shares in Altair (or derivatives referenced thereto) and securities convertible into, rights to subscribe for and options (including traded options) in respect thereof.
<b>“relevant Company securities”</b>	means shares in the Company (or derivatives referenced thereto) and securities convertible into, rights to subscribe for and options (including traded options) in respect thereof.
<b>“relevant securities”</b>	means relevant Company securities or relevant Altair securities.
<b>“short position”</b>	means any short position (whether conditional or absolute and whether in 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.

## **B. INFORMATION ON THE CONCERT PARTIES AND RELATED PARTIES**

B.1 For the purposes of the Takeover Code, the Altair Directors, being Fiona Underwood, Steven Douglas, Christopher Wood, Susan Kane, Jeff Zitron and Derek Joseph as well as Richard Wollenberg and his Connected Persons acting in concert with him, being Christie Wollenberg, Stephanie Wollenberg, Rosanna Wollenberg, Lynda Wollenberg and The Cardiff Property Plc, the company controlled by the Wollenberg family, are deemed to be acting in concert for the purposes of the City Code from the Concert Party. Set out in the table below are details of all members of the Concert Party together with their respective interest in the Ordinary Shares as at the date of this Document and following completion of the Acquisition. Part B.2 below sets out full details of all members of the Concert Party.

Interest of the members of the Concert Party in the relevant securities:

Concert Party Member	As at the date of this Document				On Admission						
	Number of Existing Ordinary Shares	Number of existing unapproved options	Percentage of Existing Ordinary Shares	Number of Ordinary Shares held on completion of the Acquisition	Percentage of Enlarged Share Capital	Number of Replacement Unapproved Options	Number of New Unapproved Options	Number of Rollover Options	Number of full exercise of all Options	Percentage of the Diluted Enlarged Share Capital assuming full exercise of all Options	
Fiona Underwood	0	0	0	3,279,440	10.41%	0	340,000	275,050	3,894,490	10.99%	
Steven Douglas	0	0	0	3,279,440	10.41%	0	340,000	275,050	3,894,490	10.99%	
Chris Wood	0	0	0	3,279,440	10.41%	0	340,000	275,050	3,894,490	10.99%	
Susan Kane	0	0	0	3,279,440	10.41%	0	340,000	275,050	3,894,490	10.99%	
Jeff Zitron	1,000,000	300,000	9.71%	2,798,403	8.88%	300,000	0	0	3,098,403	8.75%	
Derek Joseph	1,072,000	309,000	10.41%	2,870,403	9.11%	309,000	0	0	3,179,403	8.97%	
Richard Wollenberg	1,610,001	515,000	15.63%	1,969,682	6.25%	515,000	0	0	2,484,682	7.01%	
Christie Wollenberg	100,000	0	0.97%	459,681	1.46%	0	0	0	459,681	1.30%	
Stephanie Wollenberg	100,000	0	0.97%	459,681	1.46%	0	0	0	459,681	1.30%	
Rosanna Wollenberg	100,000	0	0.97%	459,681	1.46%	0	0	0	459,681	1.30%	
Lynda Wollenberg	100,000	0	0.97%	459,681	1.46%	0	0	0	459,681	1.30%	
The Cardiff Property Plc	1,000,000	0	9.71%	1,000,000	3.17%	0	0	0	1,000,000	2.82%	
<b>TOTALS:</b>	<b>5,082,001</b>	<b>1,124,000</b>	<b>49.34%</b>	<b>23,594,972</b>	<b>74.90%</b>	<b>1,124,000</b>	<b>1,360,000</b>	<b>1,100,200</b>	<b>27,179,171</b>	<b>76.71%</b>	

B.2 Further information on the members of the Concert Party:

- (1) **Chris Wood** of Tempus Wharf, 29A Bermondsey Wall West, London SE16 4SA is a British national and resident in the UK. For more information on Chris Wood please refer to paragraph 2.1 of Part II of this Document.
- (2) **Dr Fiona Underwood** of Tempus Wharf, 29A Bermondsey Wall West, London SE16 4SA is a British national and resident in the UK. For more information on Dr Fiona Underwood please refer to paragraph 2.1 of Part II of this Document.
- (3) **Steven Douglas** of Tempus Wharf, 29A Bermondsey Wall West, London SE16 4SA is a British national and resident in the UK. For more information please refer to paragraph 2.2 of Part II of this Document.
- (4) **Susan Kane** of Tempus Wharf, 29A Bermondsey Wall West, London SE16 4SA is a British national and resident in the UK. For more information please refer to paragraph 2.2 of Part II of this Document.
- (5) **Jeff Zitron** of Tempus Wharf, 29A Bermondsey Wall West, London SE16 4SA is a British national and resident in the UK. For more information please refer to paragraph 2.1 of Part II of this Document.
- (6) **Derek Joseph** of 56 Station Road, Egham, Surrey TW20 9LF is a British national and resident in the UK. For more information please refer to paragraph 2.1 of Part II of this Document.
- (7) **Richard Wollenberg** of 56 Station Road, Egham, Surrey TW20 9LF is a British national and resident in the UK. For more information please refer to paragraph 2.1 of Part II of this Document.
- (8) **Christie Wollenberg** of 56 Station Road, Egham, Surrey TW20 9LF is a British national and resident in the UK. She is Richard Wollenberg's adult daughter and a shareholder in Altair and in The Cardiff Property plc.

- (9) **Stephanie Wollenberg** of 56 Station Road, Egham, Surrey TW20 9LF is a British national and resident in the UK. She is Richard Wollenberg’s adult daughter and a shareholder in Altair and in The Cardiff Property plc.
- (10) **Rosanna Wollenberg** of 56 Station Road, Egham, Surrey TW20 9LF is a British national and resident in the UK. She is Richard Wollenberg’s adult daughter and a shareholder in Altair and in The Cardiff Property plc.
- (11) **Lynda Wollenberg** of 56 Station Road, Egham, Surrey TW20 9LF is a British national and resident in the UK. She is Richard Wollenberg’s spouse and a shareholder in Altair and in The Cardiff Property plc.

(12) **The Cardiff Property plc**

Place and date of incorporation: The Cardiff Property plc (“Cardiff”) was incorporated in England and Wales on 31 May 1886 with the registered number 00022705.

Directors: J R Wollenberg (Chairman and Chief Executive Officer), D A Whitaker (Finance Director), N D Jamieson (Independent Non-Executive Director)

Activity and financial information: Cardiff is a property development and investment company listed on the Main Market (Premium Segment) of the London Stock Exchange. For the year ended 30 September 2014, Cardiff reported an audited profit before taxation of £3,218,000 on revenues of £534,000 and after a share of results of joint venture of £2,082,000. As at that date, Cardiff had audited net assets of £19,658,000.

Registered Office: 3 Assembly Square, Britannia Quay, Cardiff Bay, CF10 4AX

Trading Office: 56 Station Road, Egham, Surrey TW20 9LF

Shareholders:	<i>Number of Ordinary Shares</i>	<i>% of Issued Share Capital</i>
Mr J R Wollenberg*	553,634	43.009
Mrs L S Wollenberg	6,350	0.493
Miss C Wollenberg	438	0.034
Miss S Wollenberg	438	0.034
Miss R Wollenberg	438	0.034
D A Whitaker	7,000	0.544
N D Jamieson	1,500	0.108

Ratings: There are no current ratings or outlooks publicly accorded to The Cardiff Property plc by rating agencies.

Material contracts: Cardiff has not entered into any material contracts (not being contracts entered into in the ordinary course of business) during the period commencing on the date two years prior to the publication of this Document and ending on 17 July 2015 (the latest practicable date prior to posting of this Document).

*General information*

The members of the Concert Party are not intending to seek any changes to the Company and to the Board other than as described in paragraphs 9 and 6 of Part I of this Document and has confirmed that it is its intention that, following completion of the Proposals, the business of the Company will constitute that of Altair’s business. The Company has no fixed assets and save for the Existing Directors, the Company has no employees. As such, the Concert Party is also not intending to prejudice the existing employment rights, including pension rights, of any of the employees or

management of the Group nor to take any steps to amend the Company's share trading facilities in force at the date of this Document.

No changes will be introduced to any members of the Concert Party's business as a result of completion of the Proposals and there will be no repercussions on the location of any member of the Concert Party's place of business.

All Existing Directors have given irrevocable undertakings to the Company to vote in favour of the Resolutions in respect of their holdings of Existing Ordinary Shares.

**C. INTERESTS IN RELEVANT COMPANY SECURITIES AND RELEVANT ALTAIR SECURITIES**

1. As at the close of business on the disclosure date:
  - (a) the interests of the Existing Directors and Proposed Directors in relevant Company securities (excluding options which are disclosed in paragraph 7 of Part VI of this Document) are as disclosed in paragraph 5 of Part VI of this Document;
  - (b) save as disclosed in paragraph (a) above, no options over Ordinary Shares are held by the Existing Directors or Proposed Directors or their respective immediate families, related trusts and connected persons.
2. As at the close of business on the disclosure date, the interests of the Existing Directors and their Connected Persons in relevant Altair Securities are as follows:

<i>Director</i>	<i>Number of relevant Altair Securities held as at the close of business on the disclosure date</i>	<i>Percentage of total relevant Altair securities in issue as at the close of business on the disclosure date</i>
J R Wollenberg	85*	8.48%
DM Joseph	85	8.48%
J C Zitron	85	8.48%
S F Douglas	155	15.47%
F M Underwood	155	15.47%
<b>TOTAL</b>	565	56.38%

3. As at the close of business on the disclosure date, save as disclosed in paragraphs 1 and 2 above and Part E of this Part VII below:
  - a. no member of the Concert Party or any director of any member of the Concert Party nor any person acting in concert with any member of the Concert Party had any interest in or right to subscribe for, or had any short position, including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery, in relation to, any relevant securities, nor had any of them dealt in any relevant Company securities during the disclosure period;
  - b. neither the Company nor any of the Existing Directors (including any members of such Directors' respective immediate families, related trusts or connected persons) nor any person acting in concert with the Company had an interest in or right to subscribe for, or had any short position, including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery, in relation to any relevant Company securities nor had any of them dealt in any relevant securities during the disclosure period;

- c. there are no relevant securities in respect of which the Company or any of the Existing Directors (including any members of such Directors' respective immediate families, related trusts or Connected Persons) or any person acting in concert with the Company has borrowed or lent (save for any borrowed relevant securities which have either been on-lent or sold) at any time during the disclosure period;
- d. no parent, subsidiaries or fellow subsidiaries, or their associated companies, or companies of which such companies are associated companies (for this purpose ownership or control of 20 per cent. or more of the equity share capital of a company is regarded as the test of associated company status) of the Company had any interest in, or right to subscribe for, or had any short position in relation to, any relevant Company securities;
- e. no pension fund of the Company or parent, subsidiaries or fellow subsidiaries, or their associated companies, or companies of which such companies are associated companies (for this purpose ownership or control of 20 per cent. or more of the equity share capital of a company is regarded as the test of associated company status) of the Company had any interest in or right to subscribe for, or had any short position in relation to, any relevant Company securities;
- f. no employee benefit trust of the Company or parent, subsidiaries or fellow subsidiaries, or their associated companies, or companies of which such companies are associated companies (for this purpose ownership or control of 20 per cent. or more of the equity share capital of a company is regarded as the test of associated company status) of the Company had any interest in or right to subscribe for, or had any short position in relation to, any relevant Company securities;
- g. no connected adviser to the Company or parent, subsidiaries or fellow subsidiaries, or their associated companies, or companies of which such companies are associated companies (for this purpose ownership or control of 20 per cent. or more of the equity share capital of a company is regarded as the test of associated company status) of the Company or to a person acting in concert with the Company, nor any person controlling, controlled by or under the same control as any such connected adviser (except for an exempt principal trader or exempt fund manager) had any interest in or right to subscribe for, or had any short position in relation to, any relevant Company securities;
- h. the Company has not redeemed or purchased any relevant securities during the disclosure period;
- i. no agreements, arrangements or understandings exists which by any of the Consideration Shares or other Ordinary Shares or Options held by the Concert Party will be transferred by any member of the Concert Party to any other person;
- j. there are no relevant securities in respect of which any member of the Concert Party or any director of any member of the Concert Party or any person acting in concert with any member of the Concert Party has borrowed or lent at any time during the disclosure period;
- k. neither the Company nor any person acting in concert with the Company had borrowed or lent any relevant Company securities, save for any borrowed shares which have either been on-lent or sold;
- l. save for the Acquisition Agreement, further details of which are set out in paragraph 1 of Part III of this Document, there are no agreements, arrangements or understandings between any member of the Concert Party and anyone in concert with it and any of the Directors, recent Directors, Shareholders or recent Shareholders of the Company, or any person interested or recently interested in shares of the Company or any of them, or any other person, having any connection with or dependence upon the Proposals set out this Document;

- m. save for the Relationship Agreement and Lock-in Agreements, further details of which are set out in paragraph 2 of Part III of this Document, there are no agreements, arrangements or understandings between any member of the Concert Party and anyone in concert with it and any of the Directors, recent Directors, Shareholders or recent Shareholders of the Company, or any person interested or recently interested in shares of the Company or any of them, or any other person, having any connection with or dependence upon the Proposals set out in this Document; and
- n. save for the Relationship Agreement and the Lock-in Agreements further details of which are set out in paragraph 2 of Part III of this Document there are no relationships (personal, financial or commercial), arrangements or understandings between the Concert Party, any member of the Concert Party and Beaumont Cornish Limited or any person who is, or presumed to be, acting in concert with Beaumont Cornish.

#### **D. MARKET QUOTATIONS**

The following table shows the closing middle market quotations for Ordinary Shares as derived from the Daily Official List of the London Stock Exchange on the first dealing day of each month from the six months immediately preceding the date of this Document and on 17 July 2015 (the last practicable day before posting of this Document):

<i>Date</i>	<i>Price</i>
2 February 2015	26p
2 March 2015	26p
1 April 2015	26p
1 May 2015	25.5p
1 June 2015	29p
1 July 2015	29.5p
17 July 2015	31p

#### **E. DEALINGS**

During the Disclosure Period the Concert Party have dealt in the following relevant securities:

##### *Dealings in Relevant Company Securities:*

On 10 November 2014, by option certificate issued by the Company, Mr Jeff Zitron was granted unapproved options to subscribe at a price of 26 pence per share for 300,000 Ordinary Shares with an expiry date of 22 August 2019.

## PART VIII

### NOTICES TO INVESTORS

The distribution of this Document may be restricted by law in certain jurisdictions and therefore persons into whose possession this Document comes should inform themselves about and observe any restrictions, including those set out below. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

#### General

No action has been or will be taken in any jurisdiction that would permit a public offering of the Ordinary Shares, or possession or distribution of this Document or any other offering material in any country or jurisdiction where action for that purpose is required. Accordingly, the Ordinary Shares may not be offered or sold, directly or indirectly, and neither this Document nor any other offering material or advertisement in connection with the Ordinary Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any and all applicable rules and regulations of any such country or jurisdiction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. This Document does not constitute an offer to subscribe for any of the Ordinary Shares offered hereby to any person in any jurisdiction to whom it is unlawful to make such offer or solicitation in such jurisdiction.

This Document has been approved by the FCA as a prospectus which may be used to offer securities to the public for the purposes of section 85 of the FSMA and of the Prospectus Directive. No arrangement has however been made with the competent authority in any other EEA State (or any other jurisdiction) for the use of this Document as an approved prospectus in such jurisdiction and accordingly no public offer is to be made in such jurisdiction. Issue or circulation of this Document may be prohibited in countries other than those in relation to which notices are given below. This Document does not constitute an offer to sell, or the solicitation of an offer to subscribe for, or buy, shares in any jurisdiction in which such offer or solicitation is unlawful.

#### For the Attention of European Economic Area Investors

In relation to each member state of the European Economic Area which has implemented the Prospectus Directive (each, a “**Relevant Member State**”), an offer to the public of the Ordinary Shares may only be made once the prospectus has been passported in such Relevant Member State in accordance with the Prospectus Directive as implemented by such Relevant Member State. For the other Relevant Member States an offer to the public in that Relevant Member State of any Ordinary Shares may only be made at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

- to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts;
- to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) in such Relevant Member State; or
- in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of Ordinary Shares shall result in a requirement for the publication by the Company of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an “offer to the public” in relation to any offer of ordinary shares in any Relevant Member State means the communication in any form and by any means of sufficient



information on the terms of the offer and any ordinary shares to be offered so as to enable an investor to decide to purchase or subscribe for the ordinary shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression “Prospectus Directive” includes any relevant implementing measure in each Relevant Member State.

During the period up to but excluding the date on which the Prospectus Directive is implemented in member states of the European Economic Area, this prospectus may not be used for, or in connection with, and does not constitute, any offer of Ordinary Shares or an invitation to purchase or subscribe for any Ordinary Shares in any member state of the European Economic Area in which such offer or invitation would be unlawful.

The distribution of this prospectus in other jurisdictions may be restricted by law and therefore persons into whose possession this prospectus comes should inform themselves about and observe any such restrictions.

**For the Attention of UK Investors**

This Document comprises a prospectus relating to the Company prepared in accordance with the Prospectus Rules and approved by the FCA under section 87A of FSMA. This Document has been filed with the FCA and made available to the public in accordance with Rule 3.2 of the Prospectus Rules.

## PART IX

### DEFINITIONS

The following definitions apply throughout this Document, unless the context requires otherwise.

“Act”	the Companies Act 2006 (as amended)
“Acquisition”	means the acquisition of the entire issued share capital of Altair from the Sellers as described in Part I of this Document
“Acquisition Agreement”	the conditional share purchase agreement dated 20 July 2015 between the Company and the Sellers relating to the Acquisition, further details of which are set out in paragraph 1 of Part III of this Document
“Admission” or “Re-Admission”	admission of the Enlarged Share Capital to the standard listing segment of the Official List and to trading on the London Stock Exchange’s Main Market for listed securities
“Adviser” or “Beaumont”	Beaumont Cornish Limited a member of the London Stock Exchange and authorised and regulated in the conduct of investment business by the Financial Conduct Authority
“Altair”	Altair Consultancy and Advisory Services Limited
“Altair Directors”	means the directors of Altair immediately preceding the Acquisition as follows: S F Douglas, D M Joseph, S M Kane, F M Underwood, C Wood and J C Zitron
“Articles”	the articles of association of the Company
“Board”	the Directors of the Company
“Change of Control”	following the Acquisition, the acquisition of Control of the Company by any person or party (or any group of persons or parties who are acting in concert)
“City Code” or “Takeover Code”	the UK City Code on Takeovers and Mergers, as updated from time to time
“Closing Price”	closing middle market price of 31 pence for Existing Ordinary Shares on 17 July 2015 being the last practicable day before publication of this Document
“Code Waiver”	the waiver granted by the Panel (subject to the passing of the Whitewash Resolution) in respect of the obligation of the members of the Concert Party to make a mandatory offer for the entire issued share capital of the Company not already held by them which might otherwise be imposed on them under Rule 9 of the Takeover Code as a result of the issue of Consideration Shares and Option Shares, as more particularly described in Part VII of this Document
“Company” or “General Industries”	General Industries plc

“Concert Party”	Altair Directors as well as Richard Wollenberg and his Connected Persons acting in concert with him, being Christie Wollenberg, Stephanie Wollenberg, Rosanna Wollenberg, Lynda Wollenberg and The Cardiff Property Plc, the company controlled by the Wollenberg family, as set out in paragraph B of Part VII of this Document
“Connected Persons”	has the meaning attributable to it in section 252 of the Act
“Consideration Shares”	the 21,200,000 new Ordinary Shares to be issued by the Company to the Altair Shareholders at a price of 31p per Ordinary Share in accordance with the Share Purchase Agreement
“Control”	an interest, or interests, in shares carrying in aggregate 30 per cent. or more of the Voting Rights of a company, irrespective of whether such interest or interests give de facto control
“CREST”	the relevant system, as defined in the CREST Regulations, for paperless settlement of share transfers and holding shares in uncertificated form which is administered by Euroclear (as defined in the CREST Regulations)
“CREST Regulations”	the Uncertificated Securities Regulations 2001 of the UK (SI 2001 No. 3755) (as amended)
“Deed of Cancellation and Replacement”	the deed of cancellation and replacement entered into between the Company and each of the Existing Directors on 20 July 2015 in relation to cancellation of their existing unapproved options in consideration of the grant of the Replacement Unapproved Options
“Diluted Enlarged Share Capital”	the Enlarged Share Capital plus the Option Shares to be issued on full exercise of all Unapproved Options and Rollover Options further details of which are provided in paragraph 7 of Part VI of this Document
“Directors” or “Directors on Admission”	the Directors on Admission being J C Zitron, S F Douglas, F M Underwood, D M Joseph and J R Wollenberg
“Disclosure and Transparency Rules” or “DTR”	the Disclosure and Transparency Rules made by the FCA pursuant to section 73A of the FSMA, as amended from time to time
“Document” or “Prospectus”	means this prospectus
“Eligible Employees”	20 employees of Altair, including the Proposed Directors and the Senior Managers who were prior to Admission the holders of options to subscribe for ordinary shares of £1.00 each in the capital of Altair, each which have been surrendered in exchange for the grant of Rollover Options in the manner described in paragraph 7.6(b) of Part VI of this Document
“Employee Share Scheme”	means the enterprise management incentive share option scheme to be adopted on completion of the Acquisition and Re-Admission, subject to approval of the Shareholders at the General Meeting, more particularly described in paragraph 7.6 of Part VI of this Document
“Enlarged Group”	the Company and its Subsidiary, Altair, following completion of the Acquisition

“Enlarged Share Capital”	the issued share capital of the Company following the completion of the Acquisition and the issue of the Consideration Shares
“Euroclear”	Euroclear UK & Ireland Limited, a company incorporated under the laws of England and Wales
“Existing Directors”	the existing directors of the Company being J R Wollenberg, D M Joseph, D A Whitaker and J C Zitron
“Existing Ordinary Shares” or “Existing Share Capital”	the 10,300,000 Ordinary Shares in issue immediately preceding the Acquisition
“Existing Secretary”	the existing secretary of the Company being D A Whitaker who is to resign as secretary of the Company upon completion of the Acquisition
“FCA”	the UK Financial Conduct Authority
“Form of Proxy”	the form of proxy to be used by Shareholders in respect of the General Meeting
“Founder Shares”	the 1,000,001 ordinary shares of £0.05 each in the capital of the Company which were subscribed for by Richard Wollenberg and which are held by the Founders as at the date of this Document as set out in paragraph 3 of Part VI of this Document
“FSMA”	The Financial Services and Markets Act 2000 (as amended)
“Group”	the Company and its subsidiaries from time to time
“General Meeting”	means the general meeting of the Company to be held at 1.00 p.m. on 19 August 2015 pursuant to the Notice of General Meeting enclosed with this Document
“Housing Association” or “HAs”	is a non profit distributing organisation formed to provide affordable housing in the UK and where claiming grants is registered with the Homes and Communities Agency, the Government Regulator
“IFRS”	the International Financial Reporting Standards as adopted by the International Accounting Standards Board
“Independent Director”	David Whitaker, being the only Director who is not a member of the Concert Party
“Independent Shareholders”	all Shareholders who are independent of the Concert Party
“Listing Rules”	the listing rules made by the FCA pursuant to section 73A of the FSMA, as amended from time to time
“Local Authorities” or “LAs”	is a body set up by Statute to provide services to local communities and with the ability to make levies on local population to pay for such services
“Lock-in Agreements”	the lock-in agreements dated 20 July 2015, further details of which are contained in paragraph 2.2 of Part III of this Document
“Locked-in Persons”	the members of the Concert Party, further details of which are set out in paragraph B of Part VII of this Document
“London Stock Exchange” or “LSE”	London Stock Exchange plc

“Main Market”	the regulated market of the London Stock Exchange for officially listed securities
“Model Code”	the Model Code on directors’ dealings in securities set out in Annex I to Chapter 9 of the Listing Rules
“New Unapproved Options”	the options to subscribe for up to 1,360,000 Ordinary Shares to be granted to the Proposed New Directors and Senior Managers on Admission further details of which are set out in paragraph 7.2 of Part VI of this Document
“Official List”	the Official List of the UK Listing Authority
“Options”	the options to subscribe for the Option Shares
“Option Shares”	means the Ordinary Shares to be issued upon valid exercise of the Unapproved Options and/or the Rollover Options
“Ordinary Shares”	the ordinary shares of 5p each in the Company
“Original Admission”	admission of the Existing Ordinary Shares to the standard listing segment of the Official List and to the London Stock Exchange’s Main Market for Listed Securities on 28 August 2014
“Original Prospectus”	the prospectus published by the Company on 22 August 2014
“Panel”	Panel on Takeover and Mergers
“Premium Listing”	a Premium Listing under Chapter 6 of the Listing Rules
“Proposals”	together, the Acquisition, the Code Waiver and the Re-Admission
“Proposed Directors”	the persons who are to be appointed as directors of the Company upon completion of the Acquisition, being: S F Douglas and F M Underwood, further details of whom are set out in paragraph 2.1 of Part II of this Document
“Proposed Secretary”	the person who is to be appointed as company secretary of the Company upon completion of the Acquisition being F M Underwood
“Prospectus Rules”	the prospectus rules made by the by the FCA pursuant to section 73A of the FSMA, as amended from time to time
“Registered Providers” or “RPs”	registered provider under the Housing and Regeneration Act 2008; where not for profit they are also known as housing associations or HA’s
“Relationship Agreement”	the relationship agreement dated 20 July 2015 between the members of the Concert Party, the Company and Beaumont Cornish, further details of which are set out in paragraph 2.1 of Part III of this Document
“Replacement Unapproved Options”	the unapproved options to subscribe for up to 1,330,000 Option Shares issued to the Existing Directors in place of their unapproved options as more particularly described in paragraph 7.1 of Part VI of this Document
“Resolutions”	the resolutions to be proposed at the General Meeting as set out in the notice of general meeting, which begins on page 120 of this Document

“Reverse Takeover”	a transaction defined as a reverse takeover under Listing Rule 5.6.4 (1) and (2)
“Rollover Options”	the options to subscribe for up to 1,713,772 Ordinary Shares granted to the Eligible Employees further details of which are set out in paragraph 7.6(b) of Part VI of this Document
“Rule 9”	Rule 9 of the Takeover Code
“Rule 9 Offer”	the requirement for a general offer to be made in accordance with Rule 9
“Sellers”	means the Altair Shareholders
“Senior Managers”	S Kane and C Wood, being directors of Altair
“Shareholders”	means the holders of shares in the capital of the Company from time to time
“Share Purchase Agreement”	the agreement dated 20 July 2015 and entered into between the Sellers and the Company relating to the purchase by the Company from the Sellers of the entire issued share capital of Altair further details of which are set out in paragraph 1 of Part III of this Document
“Standard Listing”	a Standard Listing under Chapter 14 of the Listing Rules
“Subsidiary” or “Subsidiaries”	a subsidiary undertaking (as defined by section 1162 of the Companies Act 2006 (as amended)) of the Company and “Subsidiaries” shall be construed accordingly
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland
“UK Corporate Governance Code”	the UK Corporate Governance Code issued by the Financial Reporting Council in the UK from time to time
“UK Listing Authority” or “UKLA”	the FCA in its capacity as the competent authority for listing in the UK pursuant to Part VI of FSMA
“Unapproved Options”	the Replacement Unapproved Options together with the New Unapproved Options
“uncertificated” or “in uncertificated form”	a share or other security recorded on the relevant register of the relevant company concerned as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST
“United States” or “US”	the United States of America, its territories and possessions, any State of America and the District of Columbia
“Voting Rights”	all the voting rights attributable to the capital of a company which are currently exercisable at a general meeting
“Waiver”	the waivers granted by the Panel, subject to the approval of Independent Shareholders of the Whitewash Resolution on a poll, of the obligations to make a mandatory offer for the entire issued and to be issued share capital of the Company not already held by the Concert Party under Rule 9 of the Takeover Code, as a result of the issue of the Consideration Shares to the Concert Party pursuant to the Acquisition

“Whitewash Resolution”	the ordinary resolutions of the Independent Shareholders to be taken on a poll concerning the Waiver to be proposed at the General Meeting and set out in the notice of General Meeting
“€” or “Euro”	lawful current of the participating member states of the Eurozone
“US\$” or “US Dollars”	lawful currency for the time being of the United States of America
“£” or “UK Sterling” or “pence”	Pound Sterling being the lawful currency for the time being of the United Kingdom

**GENERAL INDUSTRIES PLC**  
(Registered in England and Wales under No. 8988813)

**NOTICE OF GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that a General Meeting of the Company will be held at the offices of Altair, Tempus Wharf, 29a Bermondsey, Wall West, London, SE16 4SA on 19 August 2015 at 1.00 p.m. (or any adjournment thereof) for the purpose of considering and, if thought fit, passing the following resolutions, the first five of which will be proposed as ordinary resolutions (with the third being taken on a poll) and the remaining two resolutions which will be proposed as special resolutions:

*Unless otherwise expressly stated, all defined terms referred to below shall have the same meanings as given in the Document dated 20 July 2015 of which the Notice convening this General Meeting was enclosed with.*

**ORDINARY RESOLUTIONS**

1. THAT the proposed Acquisition be and is hereby approved on or substantially on the terms and subject to the conditions of the Share Purchase Agreement; and it is hereby resolved that the Existing Directors be and they are hereby authorised to do all things that are in the opinion of the Existing Directors (or a duly authorised committee of them) necessary, expedient or appropriate to give effect to and complete the Acquisition with such modifications, amendments, variations or waivers as they (or any such committee) consider to be necessary, expedient or appropriate.
2. THAT, subject to the passing of Resolution 1, in accordance with section 551 of the CA 2006, the directors be generally and unconditionally authorised to issue and allot equity securities (as defined by section 560 of the Companies Act 2006) up to an aggregate nominal amount of £1,962,688.60 as follows:
  - 2.1 £1,060,000 comprising the Consideration Shares to be issued in connection with the Acquisition;
  - 2.2 £220,188.60 in connection with the valid exercise of the Options;
  - 2.3 £157,500 in connection with the valid exercise of any share options granted to employees of the Group in accordance with the terms of the Employee Share Option Scheme; and
  - 2.4 in any other case, £525,000 (such amount to be reduced by the nominal amount of any equity securities allotted pursuant to the authorities in paragraphs 2.1 to 2.3 inclusive above in excess of the stated amount).

provided that this authority shall, unless renewed, varied or revoked by the Company, expire on the date of the next annual general meeting of the Company save that the Company may, before such expiry, make offers or agreements which would or might require relevant securities to be allotted and the directors may allot relevant securities in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired.

This resolution revokes and replaces all unexercised authorities previously granted to the directors to allot relevant securities but without prejudice to any allotment of shares or grant of rights already made, offered or agreed to be made pursuant to such authorities.

3. THAT, subject to the passing of Resolution 1, approval is granted for the obligation that could arise pursuant to Rule 9 of the City Code, for the Concert Party to make a general offer for all of the ordinary issued share capital of the Company, to be waived following any increase in the interests in shares in the Company held by the Concert Party consequent upon the Acquisition and/or any valid exercise of Options.
4. THAT, subject to the passing of Resolution 1, the grant by the Company to each of S F Douglas, S M Kane, F M Underwood and C Wood of options to subscribe for (in each case) 340,000 Ordinary



Shares each on the terms described in paragraphs 7.2 to 7.5 (inclusive) of Part VI of the Admission Document be and the grant by the Company to the company's directors of replacement options to subscribe for (in aggregate) 1,330,000 Ordinary Shares on the terms described in paragraph 7.1 of the said Part VI of the Admission Document and are hereby approved.

5. THAT, subject to the passing of Resolution 1, the Employee Share Scheme described in paragraph 7.6 of Part VI of the Admission Document be and is hereby approved.

#### **SPECIAL RESOLUTION**

6. THAT subject to Resolution 2 above being duly passed, the directors of the Company be and are hereby empowered, pursuant to section 570 of the Act, to allot equity securities (as defined in section 560 of the Act) wholly for cash pursuant to the authority conferred upon them by Resolution 2 above (as varied, renewed or revoked from time to time by the Company at a general meeting) as if section 561(1) of the Act did not apply to any such allotment provided that such power shall be limited to the allotment of equity securities:

- 6.1 in connection with a rights issue or any other pre-emptive offer in favour of holders of equity securities where the equity securities offered to each such holder is proportionate (as nearly as may be) to the respective amounts of equity securities held by each such holder subject only to such exclusion or other arrangements as the Directors may consider appropriate to deal with fractional entitlements or legal or practical difficulties under the laws of or the requirements of any recognised regulatory body in any territory or otherwise;
- 6.2 in connection with the valid exercise of the Options;
- 6.3 in connection with the valid exercise of any share options granted to employees of the Group in accordance with the terms of the Employee Share Option Scheme; and
- 6.4 otherwise, up to a maximum nominal amount of £78,750.

The power granted by this resolution will expire on the conclusion of the Company's next annual general meeting (unless renewed, varied or revoked by the Company prior to or on such date) save that the Company may, before such expiry make offers or agreements which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired.

This resolution revokes and replaces all unexercised powers previously granted to the directors to allot equity securities as if section 561(1) of the CA 2006 did not apply but without prejudice to any allotment of equity securities already made or agreed to be made pursuant to such authorities.

7. THAT, subject to the passing of Resolutions 1 and 2 above, the Company be and is hereby generally and unconditionally to make market purchases (within the meaning of section 693(4) of the Companies Act 2006) of ordinary shares of £0.05 each ("**Ordinary Shares**") provided that:

- 7.1 the maximum aggregate number of Ordinary Shares that may be purchased is 4,724,999;
- 7.2 the minimum price (exclusive of expenses) which may be paid for a Share is £0.05;
- 7.3 the maximum price (exclusive of expenses) which may be paid for a Share is the higher of:
- (a) 105 per cent of the average closing middle market quotations for the Shares as quoted on the Official List of the London Stock Exchange for the five business days prior to the day the purchase is made; and
- (b) the value of an Ordinary Share calculated on the basis of the higher of the price quoted for:
- (i) the last independent trade of; and

(ii) the highest current independent bid for,  
any number of Shares on the Official List.

7.4 The authority conferred by this resolution shall expire on the conclusion of the Company's next annual general meeting save that the Company may, before the expiry of the authority granted by this resolution, enter into a contract to purchase Ordinary Shares which will or may be executed wholly or partly after the expiry of such authority.

*Registered Office:*

56 Station Road  
Egham  
TW20 9LF

*By Order of the Board*

*Company Secretary*

20 July 2015

**Notes:**

1. Shareholders will only be entitled to attend and vote at the meeting if they are registered as the holders of Ordinary Shares at 11.00 a.m. on 19 August 2015. If the General Meeting is adjourned, the time by which a person must be entered on the register of members of the Company in order to have the right to attend and/or vote at the adjourned meeting is 48 hours prior to the date and time fixed for the adjourned meeting. Changes to entries on the register of members of the Company later than the time and date falling 48 hours prior to the meeting (or any adjournment thereof) will be disregarded in determining the rights of any person to attend and/or vote at the meeting.
2. A shareholder entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend, vote and speak at the meeting provided each proxy is appointed to exercise rights attached to different shares. A proxy need not be a shareholder of the Company.
3. In order to comply with the City Code on Takeovers and Mergers, Resolution 3 will be taken on a poll of shareholders of the Company.
4. A form of proxy is enclosed for use by the shareholders of the Company. To be effective, it must be deposited at the office of the Company at **56 Station Road, Egham, Surrey, TW20 9LF**, so as to be received no later than 48 hours before the time appointed for holding the meeting. Completion of the proxy does not preclude a shareholder from subsequently attending and voting at the meeting if he or she so wishes.
5. Shareholders (and any proxies or representatives they appoint) agree, by attending the meeting, that they are expressly requesting and that they are willing to receive any communications (including communications relating to the Company's securities) made by the meeting.
6. This resolution seeks authority for the Company to make market purchases of its own ordinary shares and is proposed as a special resolution. If passed, the resolution gives authority for the Company to purchase up to 4,724,999 of its ordinary shares, just under 15 per cent. of the Company's enlarged share capital following Re-Admission.
7. The resolution specifies the minimum and maximum prices which may be paid for any ordinary shares purchased under this authority.
8. The directors will only exercise the authority to purchase ordinary shares where they consider that such purchases will be in the best interests of shareholders generally and will result in an increase in earnings per ordinary share.
9. The Company may either cancel any shares it purchases under this authority or transfer them into treasury (and subsequently sell or transfer them out of treasury or cancel them).

# General Industries Plc

(Registered in England and Wales under No. 8988813)

## FORM OF PROXY

For use at the General Meeting (the "General Meeting") to be held at 1.00 p.m. on 19 August 2015 (or any adjournment thereof) at the offices of Altair, Tempus Wharf, 29a Bermondsey, Wall West, London, SE16 4SA

I/We .....  
(BLOCK CAPITALS PLEASE)

of .....  
(BLOCK CAPITALS PLEASE)

being a Shareholder/Shareholders of General Industries Plc (the "Company") entitled to attend and vote at general meetings of the Company, hereby appoint the Chairman of the Meeting or, failing him (Note 1),

.....  
(INSERT PROXY'S NAME IN BLOCK CAPITALS PLEASE)

as my/our proxy to vote for me/us and on my/our behalf at the General Meeting and at any adjournment thereof in relation to the resolutions specified in the Notice thereof dated 20 July 2015 (the "Resolutions") and any other business (including adjournments and amendments to the Resolutions) which may properly come before the General Meeting or any adjournment thereof.

I/We direct my/our proxy to vote as follows in respect of the Resolutions (Note 2).

ORDINARY RESOLUTIONS	FOR	AGAINST	ABSTAIN
1 To approve the acquisition of Altair Consultancy and Advisory Services Limited.			
2 To authorise the directors of the Company to allot shares in substitution for and to the exclusion of previous allotment authorities granted prior to the General Meeting.			
3 To approve the Rule 9 Waiver in respect of the Concert Party.			
4 To approve the issue of options to subscribe for (in each case) 340,000 ordinary shares in the capital of the Company to each of S F Douglas, S M Kane, F M Underwood and C Wood and the issue of (in aggregate) 1,330,000 options to subscribe for ordinary shares in the capital of the Company by Existing Directors.			
5 To approve the creation of an employee share option scheme.			
<b>SPECIAL RESOLUTION</b>			
6 To disapply statutory pre-emption rights in respect of the issue and allotment of Ordinary Shares up to £78,750 in nominal value of the authorised but unissued share capital of the Company pursuant to sections 561 and 570 of the Act.			
7 To authorise market purchases of up to 4,724,999 of its own shares.			

In the absence of instructions, the proxy is authorised to vote (or abstain from voting) on the Resolutions at his or her discretion. The proxy is also authorised to vote (or abstain from voting) on any other business which may properly come before the General Meeting.

Signed .....

Dated .....



**NOTES:**

1. A Shareholder wishing to appoint someone other than the Chairman of the Meeting as his or her proxy (who need not be a Shareholder of the Company) should insert that person's name in the space provided in substitution for the reference to the Chairman of the Meeting and initial the alteration.
2. Please indicate by inserting X under FOR or AGAINST how you wish your vote to be cast on the Resolution. On receipt of this form duly signed, but without any specific directions as to how you wish your vote to be cast, you will be considered to have authorised the proxy to vote or abstain at his or her discretion.
3. To be effective, this form or proxy together with any power of attorney or other authority under which it is signed or a certified copy thereof must reach the offices of the Company at **56 Station Road, Egham, Surrey, TW20 9LF** not less than 48 hours before the time fixed for the holding of the Meeting. The completion and return of a form of proxy will not preclude a Shareholder attending the Meeting and voting in person.
4. In the case of a corporation, this form of proxy must be under the common seal or signed by an officer or attorney duly authorised in writing.
5. In the case of joint holders, the vote of the senior who tenders a vote will be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority is determined by the order in which the names stand in the Company's Register of Members in respect of the joint holding.



