

# RIVER AND MERCANTILE GROUP PLC

## CHAIRMAN'S LETTER AND NOTICE OF GENERAL MEETING

### THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to any aspect of the proposals referred to in this document or as to the actions you should take, you are advised to seek advice from your stockbroker, bank manager, solicitor, accountant or other appropriate independent professional adviser authorised under the Financial Services and Markets Act 2000. If you have sold or otherwise transferred all of your ordinary shares in River and Mercantile Group PLC (the 'Company'), please pass this document and the accompanying Form of Proxy to the purchaser or transferee or to the person through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

Whether or not you propose to attend the General Meeting, please complete and submit the enclosed Form of Proxy in accordance with the instructions printed on it. To be valid, the enclosed Form of Proxy must be completed, signed and returned so as to reach the Company's Registrar, Equiniti, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA as soon as possible and, in any event, so as to arrive no later than 9.00 a.m. on 21 May 2019. Alternatively, you can register your proxy vote electronically, if you are a CREST member, by using the service provided by Euroclear. Appointment of a proxy will not prevent you from attending and voting at the meeting in person if you subsequently find that you are able to do so.

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## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

|  | Time and Date         |
|--|-----------------------|
| Publication of this document .....   | 26 April 2019         |
| Latest time for receipt of individual Forms of Proxy for General Meeting ..... | 9.00 a.m. 21 May 2019 |
| Voting record date .....   | 6.30 p.m. 21 May 2019 |
| General Meeting .....  | 9.00 a.m. 23 May 2019 |

Future times and dates are indicative only and are subject to change by the Company. If the expected timetable of events changes from the above, the Company will release an announcement to this effect.

References to time in this document are to London time.

# PART I – CHAIRMAN’S LETTER

26 April 2019

Dear Shareholder,

## 1. INTRODUCTION

The Board has become aware of a technical issue in respect of two dividends previously paid by the Company on 6 April 2018 and 14 December 2018 in the amount of 7.6 pence and 5.5 pence per share respectively (the ‘**Relevant Distributions**’). Further detail of the Relevant Distributions is set out in paragraph 1 of Part II of this document.

The Companies Act 2006 (the ‘**Act**’) provides that a public company may pay a dividend only out of its profits available for the purpose. Whether a distribution may be made is determined by reference to the distributable profits as shown in the last accounts circulated to members or, if interim accounts are used, those that have been delivered to Companies House. The accounts in respect of the two Relevant Distributions were the interim accounts for the six months ended 31 December 2017 and the statutory accounts for the year ended 30 June 2018 (the ‘**Relevant Accounts**’).

The Company and its auditor, BDO LLP, have recently reviewed the technical basis of the calculation of the Company’s distributable reserves. This review identified certain issues in the calculation methodology adopted, specifically relating to the technical treatment of share based payments and the associated deferred tax.

Following this review, the Board, having taken advice, has reconsidered the treatment of these technical items and, as a result of failing to make necessary deductions relating to these items, concluded that the Company had overstated the actual level of distributable reserves in its audited and unaudited accounts, beginning with the accounts for the year ended 30 June 2016 and the subsequent 2017 and 2018 year end accounts.

The Board subsequently engaged a second firm of accountants to conduct a detailed assessment of the Company’s current and past distributable reserves positions in respect of all dividend payments in the period since the IPO in 2014. Based on this review, the Company has identified that, in consequence of applying the revised basis of calculating distributable reserves, the Relevant Distributions exceeded what would have been the correct level of such reserves by approximately £2.8 million (in the case of the first Relevant Distribution) and £1.5 million (in the case of the second Relevant Distribution).

Notwithstanding the shortfalls identified in the Company’s reserves, the Board confirms that there were sufficient distributable reserves within the wider River and Mercantile group (including profits held in subsidiary companies as well as the Company individually) at the time of the Relevant Distributions.

The Board has therefore concluded that a portion of each Relevant Distribution was made otherwise than in accordance with the Act, and that it is therefore necessary to seek approval from shareholders on the basis outlined in this document. The Board confirms that no other dividends paid by the Company since the IPO on 23 June 2014 have been improperly paid.

The Company has been advised that, as a consequence of a portion of the Relevant Distribution having been made otherwise than in accordance with the Act, it may have claims against past and present shareholders who were recipients of the Relevant Distributions and against persons who were directors of the Company at the time of payment of the Relevant Distributions. The Company will therefore convene a General Meeting to seek shareholder approval for the proposed Resolution, which will, if passed, give the Board authority to enter into the Shareholders’ Deed of Release and the Directors’ Deed of Release described in Part II of this document. The consequence of the entry into these deeds by the Company is that the Company will be unable to make any claims against:

- a. the Recipient Shareholders; and
- b. the Directors,

in each case in respect of the payment of the Relevant Distributions otherwise than in accordance with the Act and to put all potentially affected parties so far as possible in the position in which they were always intended to be had the Relevant Distributions been made in accordance with the requirements of the Act.

The entry by the Company into the Shareholders’ Deed of Release constitutes a smaller related party transaction (as defined in the Listing Rules). Punter Southall Group Limited falls within the definition of ‘substantial shareholder’ in the Listing Rules, and is therefore a related party for the purposes of the Listing Rules. In addition, the entry by the Company into the Directors’ Deed of Release will also constitute a smaller related party transaction with respect to the Directors. As required by the Company’s articles of association, the Resolution will also seek the specific approval of the Company’s shareholders of the entry into the Directors’ Deed of Release.

**Further details and an explanation of the business of the General Meeting are set out in Part II of this document.**

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

## 2. NOTICE OF GENERAL MEETING

Enclosed in this document is a notice of General Meeting of the Company which will be held at the office of Numis Securities Limited at The London Stock Exchange Building, 10 Paternoster Square, London EC4M 7LT at 9.00 a.m. on Thursday 23 May 2019. The Notice can be found in Part IV of this document.

## 3. PROXY VOTING

Whether or not you will be attending the General Meeting, I would urge you to complete, sign and return the accompanying Form of Proxy to the Company’s registrars, Equiniti at Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA as soon as possible and, in any event, so as to arrive by no later than 9.00 a.m. on 21 May 2019. Completion and return of the Form of Proxy will not preclude shareholders from attending and voting in person at the General Meeting, should they so wish. The attention of corporate shareholders wishing to appoint more than one corporate representative is drawn to note 5 to the Notice set out on page 10 of this document.

**PART I – CHAIRMAN'S LETTER CONTINUED**

This letter is also being sent to those who have been nominated to receive information rights under section 146 of the 2006 Act who do not themselves have a right to appoint a proxy or proxies. The attention of such nominated persons is drawn to note 6 to the Notice set out on page 10 of this document.

**4. RECOMMENDATION**

Given the interest of the Board in the Resolution, and as required by the Listing Rules:

- a. the Board is not permitted to recommend that shareholders vote in favour of the Resolution, but does recommend that shareholders vote on it. However, the Board notes that, in accordance with its obligations under the Listing Rules as a premium listed company proposing to enter into a smaller related party transaction, the Company has obtained a written confirmation from an FCA approved sponsor firm that (i) the entry into the Shareholders' Deed of Release and (ii) the entry into the Directors' Deed of Release are fair and reasonable so far as the shareholders of the Company are concerned; and
- b. Punter Southall Group Limited, each of the Directors and each of their respective associates are precluded from voting on the Resolution. Therefore, Punter Southall Group Limited and each of the Directors have undertaken to abstain, and to take all reasonable steps to ensure that their respective associates abstain, from voting on the Resolution. As at 24 April 2019 (being the latest practicable date before the publication of this document), Punter Southall Group Limited and the Directors were recorded in the Company's register of members as holding in aggregate a total of 37,488,767 Ordinary Shares in the capital of the Company representing approximately 45.665% of the Company's existing ordinary share capital.

In accordance with current best practice and to ensure voting accurately reflects the views of shareholders, it will be proposed at the General Meeting that voting on the Resolution will be conducted by poll vote rather than by a show of hands and the relevant procedures will be explained at the meeting.

The Board has taken steps to ensure that the issues referred to in this document do not arise again in relation to the payment of future dividends.

Yours sincerely,

**Jonathan Dawson**  
Chairman

**River and Mercantile Group PLC**  
Registered office: 30 Coleman Street, London, EC2N 5AL

T: 020 3327 5100 – F: 020 7785 9040

Registered in England and Wales No: 04035248

## PART II – BUSINESS OF THE GENERAL MEETING

### 1. THE RELEVANT DISTRIBUTIONS

The Board has become aware of a technical issue in respect of the Company's procedures for the payment of the following dividends (the 'Relevant Distributions'):

| Description   | Pence per share | Aggregate dividend amount | Payment date     |
|---|-----------------|---------------------------|------------------|
| 2018 interim<br>(the 'first Relevant Distribution') | 7.6 pence       | £6,101,509                | 6 April 2018     |
| 2018 final<br>(the 'second Relevant Distribution')  | 5.5 pence       | £4,424,259                | 14 December 2018 |

This issue, which is described in Part I of this document, resulted in a portion of each Relevant Distribution being made otherwise than in accordance with the Act.

The issue only affected the Relevant Distribution and did not affect any other distributions made by the Company.

### 2. THE CONSEQUENCES OF RELEVANT DISTRIBUTION HAVING BEEN MADE OTHERWISE THAN IN ACCORDANCE WITH THE ACT

The Company has been advised that, as a consequence of a portion of each Relevant Distribution having been made otherwise than in accordance with the Act, it may have claims against past and present shareholders who were recipients of the Relevant Distributions and against persons who are now, or were at the time of payment of the Relevant Distributions, directors of the Company.

The Board notes, however, that the Company has no intention of bringing any such claims.

### 3. SHAREHOLDER RESOLUTION

In order to remedy the potential consequences of a portion of each Relevant Distribution having been made otherwise than in accordance with the Act and to put all potentially affected parties so far as possible in the position in which they were always intended to be had the Relevant Distributions been made in accordance with the requirements of the Act, the Company is proposing the Resolution, the full text of which is set out in the Notice in Part IV of this document.

If passed, the effect of the Resolution, which will be proposed as a special resolution, will be to:

- ratify the Relevant Distributions and authorise the appropriation of the profits of the Company for the purposes of the Relevant Distributions;
- waive any and all claims which the Company has or may have in respect of the payment of the Relevant Distributions against its Recipient Shareholders (or the personal representatives and their successors in title of the estate of any deceased Recipient Shareholders), such waiver to be effected by way of the entry by the Company into the Shareholders' Deed of Release; and
- waive any and all claims which the Company has or may have against in respect of the payment of the Relevant Distributions against its Directors, such waiver to be effected by way of the entry by the Company into the Directors' Deed of Release.

The approach that the Company is proposing by way of the Resolution is consistent with the approach taken by other UK incorporated companies whose shares are admitted to the UK Listing Authority's Official List and to trading on the Main Market of the London Stock Exchange and that have, similarly, made corporate distributions otherwise than in accordance with the Act.

### 4. THE RATIFICATION OF THE RELEVANT DISTRIBUTIONS, THE AUTHORISATION OF THE APPROPRIATION OF THE COMPANY'S PROFITS AND THE SHAREHOLDERS' DEED OF RELEASE

The approach that the Company is proposing involves the ratification of the Relevant Distributions and the authorisation of the appropriation of the distributable profits of the Company for the purposes of the Relevant Distributions. As a matter of common law, it is necessary for this ratification and confirmation to be approved by shareholders.

The Company has been advised that it is also preferable for shareholders to approve the Company's entry into the Shareholders' Deed of Release, since the release of those past and present shareholders who appeared on the register of members on the record date for each of the Relevant Distributions (or their personal representatives (and their successors in title) if they are deceased) from any and all claims which the Company has or may have in respect of the payment of the Relevant Distributions will, insofar as those persons remain shareholders of the Company, comprises a shareholder distribution.

In addition, the Company's entry into the Shareholders' Deed of Release constitutes a smaller related party transaction (as defined in the Listing Rules). Punter Southall Group Limited, which holds more than 10% of the Company's voting rights, is a substantial shareholder for the purpose of the Listing Rules and therefore, together with any of its associates (as defined in the Listing Rules) who are Recipient Shareholders, is deemed to be a related party under the Listing Rules. Accordingly, Punter Southall Group Limited and its associates are precluded from voting on the Resolution and Punter Southall Group Limited has undertaken to abstain, and to take all reasonable steps to ensure that their respective associates abstain, from voting on the Resolution.

The proposed ratification of the Relevant Distributions, the authorisation of the appropriation of the Company's distributable profits in the relevant financial year for the purposes of the Relevant Distributions and the entry by the Company into the Shareholders' Deed of Release will not, however, have any effect on the Company's financial position. This is because the aggregate amount of the portion of the Relevant Distributions made otherwise than in accordance with the Act is equal to and offset by the release of each Recipient Shareholder from the liability to repay any amount already paid, and the Company will not be required to make any further payments to shareholders in respect of the Relevant Distributions.

**PART II – BUSINESS OF THE GENERAL MEETING CONTINUED**

In addition, the Company has not recorded or disclosed the potential right to make claims against Recipient Shareholders as an asset or a contingent asset in its financial statements. Under the Company's IFRS accounting policies, it could only record such a right as an asset when an inflow of economic benefits in favour of the Company as a result of such claim or claims being brought was virtually certain. The value of any economic benefit which the Company may derive from bringing claims against the Recipient Shareholders is uncertain (and, in any case, incapable of reliable estimation) on the basis that it may be possible for the Recipient Shareholders to establish defences to any such claims and there can be no certainty as to the amounts which could be recovered by the Company.

In addition, under IFRS, a contingent asset is required to be disclosed only when an inflow of economic benefits in favour of the Company is probable. The directors of the Company have concluded that any inflow of economic benefits as a result of such claims is less than probable.

Accordingly, the Company's entry into the Shareholders' Deed of Release will not result in any decrease in the Company's net assets or the level of its distributable reserves.

**5. THE DIRECTORS' DEED OF RELEASE**

Under the Company's articles of association, it is necessary for shareholders to approve the Company's waiver of any rights of the Company to make claims against the Directors in respect of the Relevant Distributions, since the Board would itself have a potential conflict of interest in approving such a waiver. This is because the members of the Board are named as beneficiaries of the waiver.

In addition, the entry by the Company into the Directors' Deed of Release and consequential waiver of any rights of the Company to make claims against the Directors in respect of the Relevant Distributions, constitutes a smaller related party transaction (as defined in the Listing Rules) as each of the Directors is a related party for the purposes of the Listing Rules. Accordingly, each of the Directors and their associates are precluded from voting on the Resolution and the Directors have undertaken to abstain, and to take all reasonable steps to ensure that their associates abstain, from voting on the Resolution.

The entry by the Company into the Directors' Deed of Release will not have any effect on the Company's financial position because, as with the position in relation to the Relevant Distributions and potential claims against past and present shareholders, the Company has not recorded or disclosed its right potentially to make claims against past and present directors in respect of the Relevant Distributions as an asset or contingent asset of the Company.

Again, under the Company's IFRS accounting policies, it could only record such a right as an asset when an inflow of economic benefits in favour of the Company as a result of such claim or claims being brought was virtually certain. The value of any economic benefit which the Company may derive from bringing claims against past and present directors is uncertain (and, in any case, incapable of reliable estimation) on the basis that past and present directors would be entitled to seek the court's relief against such claims and there can be no certainty as to the amounts (if any) which could be recovered by the Company.

In addition, under IFRS, a contingent asset is required to be disclosed only when an inflow of economic benefits in favour of the Company is probable. The directors of the Company have concluded that any inflow of economic benefits as a result of such claims is less than probable.

Therefore, the Company's entry into the Directors' Deed of Release does not involve the disposition of any recognised asset or contingent asset by the Company in favour of past or present directors.

**6. THE TAX POSITION OF UK SHAREHOLDERS**

The Company has not and does not intend to seek HMRC's confirmation, but based on the Company's understanding of HMRC practice, the Company does not expect the tax position of UK resident shareholders to be affected by any irregularity in the Relevant Distributions, so does not expect the passing of the Resolution to affect the tax position of UK shareholders.

If any UK resident shareholder has any doubts about his or her tax position, he or she should consult with an independent professional adviser.

**7. THE TAX POSITION OF NON-UK SHAREHOLDERS**

It is similarly not expected that the passing of the Resolution should have an effect on the tax position of US shareholders although the Company has not and does not intend to seek confirmation from the Internal Revenue Service.

If any US or other non-UK resident shareholder has any doubts about his or her tax position, he or she should consult with an independent professional adviser.

**8. OTHER INFORMATION**

The share capital of the Company as at 24 April 2019 (being the latest practicable date before the publication of this document) comprises 82,095,346 Ordinary Shares.

Copies of the final forms of the Shareholders' Deed of Release and the Directors' Deed of Release are available on the Company's website ([https://riverandmercantile.com/investor\\_relations](https://riverandmercantile.com/investor_relations)) and in hard copy during normal business hours on any weekday (except for Saturdays, Sundays and public holidays) at the registered office of the Company up to the time of the General Meeting. Copies will also be available at the place of the General Meeting until the conclusion of the General Meeting.

## PART III – ADDITIONAL INFORMATION

### 1. THE COMPANY

The Company was incorporated and registered in England and Wales on 17 July 2000 with registered number 04035248 as a private company limited by shares under the name PSolve Limited.

The Company further changed its name as follows:

| Name                               | Date of Name Change |
|------------------------------------|---------------------|
| P-Solve Limited                    | 26 March 2007       |
| River & Mercantile Group Limited   | 28 March 2014       |
| River and Mercantile Group Limited | 9 April 2014        |

On 2 June 2014, the Company re-registered as a public limited company under the name River and Mercantile Group PLC.

The Company's registered office is 30 Coleman Street, London, EC2R 5AL (tel. +44 (0) 20 7601 6262).

The principal legislation under which the Company operates is the laws of England and Wales.

### 2. DIRECTORS' SHAREHOLDINGS

The interests of the Directors in the Ordinary Shares as at 24 April 2019 (being the latest practicable date before the date of this document) are as follows:

| Name                  | Number of Ordinary Shares <sup>(1)</sup> | Percentage of voting rights <sup>(3)</sup> |
|-----------------------|--|--|
| Jonathan Dawson       | 70,000                                   | 0.09                                       |
| Michael Faulkner      | 3,706,823                                | 4.52                                       |
| James Barham          | 1,161,843                                | 1.42                                       |
| Kevin Hayes           | 337,237                                  | 0.41                                       |
| Jack Berry            | 860,619                                  | 1.05                                       |
| Angela Crawford-Ingle | 19,924                                   | 0.02                                       |
| Robin Minter-Kemp     | 30,000                                   | 0.04                                       |
| John Misselbrook      | 0  | 0  |
| Jonathan Punter       | 31,302,321 <sup>(2)</sup>                | 38.13                                      |

(1) Beneficial interest, including shares held by connected persons.

(2) Jonathan Punter holds no ordinary shares personally, but holds a 7.4% interest in Punter Southall Group Limited. Punter Southall Group Limited as a 38.13% interest in the Company.

(3) On the basis that the total number of voting rights as at 24 April 2019 (being the latest practicable date before the publication of this document) is 82,095,346.

### 3. DOCUMENTS ON DISPLAY

In addition to this notice, copies of the Shareholders' Deed of Release and the Directors' Deed of Release can be found at [www.riverandmercantile.com/investor\\_relations](http://www.riverandmercantile.com/investor_relations) from the date of this document up to and including the date of the General Meeting. Copies will also be available at the General Meeting until the conclusion of the General Meeting.

## PART IV – DEFINITIONS

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

|  |   |
|--|---|
| 'Act'                                  | means the Companies Act 2006.   |
| 'Board' or 'Directors'                 | means the board of directors of the Company.  |
| 'Company'                              | means River and Mercantile Group PLC.   |
| 'CREST'                                | means the paperless settlement procedure operated by Euroclear enabling system securities to be evidenced otherwise than by certificates and transferred otherwise than by written instrument.  |
| 'CREST Manual'                         | means the rules governing the operation of CREST as published by Euroclear.   |
| 'Directors' Deed of Release'           | means a deed of release by which the Company waives any rights to make claims against Directors in respect of the Relevant Distributions.   |
| 'Executive Directors'                  | means the executive directors of the Company, being Michael Faulkner, James Barham, Kevin Hayes, and Jack Berry.  |
| 'FCA Handbook'                         | means the FCA's Handbook of Rules and Guidance.   |
| 'Financial Conduct Authority' or 'FCA' | means the Financial Conduct Authority of the United Kingdom.  |
| 'Form of Proxy'                        | means the form of proxy enclosed with this document for use by shareholders in connection with the General Meeting.   |
| 'FSMA'                                 | means the Financial Services and Markets Act 2000, as amended.  |
| 'General Meeting'                      | means the general meeting of the Company, to be held at 9.00 a.m. on 23 May 2019 at the office of Numis Securities Limited at The London Stock Exchange Building, 10 Paternoster Square, London EC4M 7LT, or any adjournment thereof, notice of which is set out in Part IV of this document.   |
| 'River and Mercantile Group'           | means River and Mercantile Group PLC and each of its subsidiaries and subsidiary undertakings.  |
| 'HMRC'                                 | means Her Majesty's Revenue & Customs.  |
| 'IFRS'                                 | means the International Financial Reporting Standards promulgated by the International Accounting Standards Board (which includes standards and interpretations approved by the International Accounting Standards Board and International Accounting Standards issued under previous constitutions), together with its pronouncements thereon from time to time, as adopted by the European Union. |
| 'Listing Rules'                        | means the listing rules made by the FCA under Part VI of FSMA (as set out in the FCA Handbook), as amended.   |
| 'Non-Executive Directors'              | means the non-executive directors of the Company, being Jonathan Dawson, Angela Crawford-Ingle, John Misselbrook, Jonathan Punter, and Robin Minter-Kemp.   |
| 'Notice'                               | means the Notice of General Meeting set out in Part IV of this document.  |
| 'Ordinary Shares'                      | means ordinary shares of £0.003 each in the capital of the Company.   |
| 'Recipient Shareholder'                | means a current or former shareholder of the Company who appeared on the register of members on the record date for either or both of the Relevant Distributions.   |
| 'Relevant Distributions'               | has the meaning given to it in paragraph 1 of Part II of this document.   |
| 'Resolution'                           | means the resolution to be proposed at the General Meeting, the full text of which is set out in the notice of General Meeting set out in Part IV of this document.   |
| 'Shareholders' Deed of Release'        | means a deed of release in favour of all Recipient Shareholders from any and all claims which the Company has or may have in respect of the payment of the Relevant Distributions.  |



## PART V – NOTICE OF GENERAL MEETING

### RIVER AND MERCANTILE GROUP PLC

Notice is given that a general meeting of River and Mercantile Group PLC (the 'Company') will be held at the office of Numis Securities Limited at The London Stock Exchange Building, 10 Paternoster Square, London EC4M 7LT on 23 May 2019 at 9.00 a.m. to consider and, if thought fit, pass the following resolution as a special resolution.

Voting on this resolution will be by way of poll.

### SPECIAL BUSINESS

#### 1. THAT:

- 1.1. in relation to: (i) the interim dividend for the year ended 30 June 2018 of 7.6 pence per share paid by the Company on 6 April 2018; and (ii) the final dividend for the year ended 30 June 2018 of 5.5 pence per share paid by the Company on 14 December 2018 (the '**Relevant Distributions**') the Company hereby ratifies and confirms the payment of the Relevant Distributions and the appropriation, for the purposes of the preparation of the Company's audited financial statements for the year ended 30 June 2018, of the distributable profits of the Company to the payment of the Relevant Distributions and the resulting entry for the distributable profits of the Company in such financial statements;
- 1.2. any and all claims which the Company has or may have arising out of or in connection with the payment of the Relevant Distributions against its shareholders who appeared on the register of shareholders on the record dates for the Relevant Distributions (or the personal representatives and their successors in title (as appropriate) of a shareholder's estate if he or she is deceased) be waived and released pursuant to a deed poll of release in favour of such shareholders (or the personal representatives and their successors in title (as appropriate) of a shareholder's estate if he or she is deceased), to be entered into by the Company in the form produced to the General Meeting and initialled by the Chairman for the purposes of identification, and any Director in the presence of a witness, any two Directors of the Company or any Director and the Company Secretary be authorised to execute the same as a deed poll for and on behalf of the Company; and
- 1.3. any and all claims which the Company has or may have against each of its Directors arising out of or in connection with the approval, declaration or payment of the Relevant Distributions be waived and released pursuant to a deed of release in favour of each of such Directors, to be entered into by the Company in the form produced to the General Meeting and initialled by the Chairman for purposes of identification and any Director in the presence of a witness, any two Directors or any Director and the Company Secretary be authorised to execute the same as a deed poll for and on behalf of the Company.

BY ORDER OF THE BOARD

**Sally Buckmaster**  
Company Secretary

26 April 2019

Registered office: 30 Coleman Street, London, EC2R 5AL

Registered in England and Wales No. 04035248

## NOTES

### 1. ENTITLEMENT TO ATTEND AND VOTE

A shareholder who is entitled to attend and vote at the meeting is entitled to appoint one or more proxies to exercise all or any of his rights to attend, speak and vote on his/her behalf. Such a proxy need not also be a shareholder of the Company, but must attend the meeting in person for the shareholder's vote to be counted. If a shareholder appoints more than one proxy to attend the meeting, each proxy must be appointed to exercise the rights attached to a different share or shares held by the shareholder.

### 2. APPOINTMENT OF PROXIES

To be valid, a Form of Proxy must be completed and any power of attorney or other authority under which it is executed (or a duly certified copy thereof) must be received by post or by hand (during normal business hours only) by Equiniti, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, in each case not later than 9.00 a.m. on 21 May 2019 (or 48 hours before the time appointed for any adjourned meeting at which it is to be used). Completion and return of a Form of Proxy or any CREST Proxy Instruction will not preclude a shareholder subsequently from personally attending and voting at the General Meeting (in substitution for their proxy vote) if the shareholder decides to do so.

The Form of Proxy must be executed by or on behalf of the shareholder making the appointment. A corporation may execute the Form of Proxy either under its common seal or under hand of a duly authorised officer. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority will be determined by the order in which the names stand on the Register of Members in respect of the relevant joint holdings.

### 3. REGULATION 41 OF THE UNCERTIFICATED SECURITIES REGULATIONS 2001 (AS AMENDED)

Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001 and section 360(b)(2) of the Act, the Company specifies that in order to have the right to attend and vote at the General Meeting (and also for the purpose of determining how many votes a person entitled to attend and vote may cast), a person must be registered on the Register of Members of the Company as at 6:30 p.m. on 21 May 2019 or, if the meeting is adjourned, on the Company's Register of Members by 6:30 p.m. two days before the adjourned meeting. Changes to entries on the Register of Members after 6:30 p.m. on 21 May 2019 or, if the meeting is adjourned by 6:30 p.m. two days before the adjourned meeting, shall be disregarded in determining the rights of any person to attend or vote at the meeting.

### 4. CREST VOTING

CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the General Meeting and any adjournment(s) thereof by using the procedures, and to the address, described in the CREST Manual (available via [www.euroclear.com](http://www.euroclear.com)) subject to the provisions of the Company's articles of association. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & Ireland Limited's ('EUI') specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA19) by 9.00 a.m. on 21 May 2019. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

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

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

### 5. CORPORATE REPRESENTATIVES

Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.

### 6. NOMINATED PERSONS

Any person to whom this notice is sent who is a person nominated under section 146 of the Act to enjoy information rights ('Nominated Person') may have a right, under an agreement between him/her and the shareholder by whom he/she was nominated, to be appointed or to have someone else appointed as a proxy for the General Meeting.

If a Nominated Person does not have such a right or does not wish to exercise it, he/she may have a right under, any such agreement, to give instructions to the shareholder as to the exercise of voting rights.

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

### 7. VOTING RIGHTS

The total number of ordinary shares of £0.003 in issue as at 24 April 2019, the latest practicable day before publication of this document, was 82,095,346 ordinary shares. Each ordinary share carries one vote and therefore the total voting rights in the Company as at that date are 82,095,346.

**8. WEBSITE**

A copy of this notice and other information required by section 311A of the Act can be found at [www.riverandmercantile.com](http://www.riverandmercantile.com).

**9. SHAREHOLDER QUESTIONS**

All members attending the General Meeting have the right to ask questions. The Company must cause to be answered any question relating to the business being dealt with at the meeting put by a shareholder attending the meeting. When invited by the Chairman, it would be useful if you could state your name before you ask your question(s). Shareholders should note that questions need not be answered at the meeting if (a) to do so would interfere unduly with the preparation for the meeting or would involve the disclosure of confidential information; (b) the answer has already been given on a website in the form of an answer to a question; or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered. In circumstances where an answer is not available for the Chairman to provide, he may nominate a Company representative to answer a specific question after the meeting.

**10. INSPECTION OF DOCUMENTS**

In addition to this notice, copies of the Shareholders' Deed of Release and the Directors' Deed of Release can be found at [www.riverandmercantile.com](http://www.riverandmercantile.com) from the date of this document up to and including the date of the General Meeting. Copies will also be available at the General Meeting until the conclusion of the General Meeting.

You may not use any electronic address (within the meaning of section 333(4) of the Act) provided in this Notice (or any related documents including the form of proxy) to communicate with the Company for any purposes other than those expressly stated.

**11. RESULTS**

The results of the General Meeting will be posted on the Company's website [www.riverandmercantile.com](http://www.riverandmercantile.com) after the General Meeting.

