

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the Offer or the action you should take, you should immediately seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant, fund manager 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.**

If you have sold or otherwise transferred all of your Tangent Shares, please send this document (but not the personalised Form of Acceptance) as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom you sell or have sold or transferred your shares for delivery to the purchaser or transferee. This document (and any accompanying documents) should not, however, be sent or transmitted in, or into, any jurisdiction where to do so might constitute a violation of local securities law or regulations including, but not limited to, the United States, Canada, Australia, the Republic of South Africa, or Japan. If you sell or have sold or otherwise transferred only part of your holding of Tangent Shares you should retain these documents.

A letter from the board of Writtle explaining the Offer is contained in Part I of this document. The procedure for acceptance is also set out in Part I of this document and (in the case of certificated Tangent Shares) in the accompanying Form of Acceptance.

This document should be read in conjunction with the accompanying Form of Acceptance (if you hold your Tangent Shares in certificated form). **To accept the Offer, if you hold your Tangent Shares in certificated form (that is, not in CREST), the accompanying Form of Acceptance should be completed and returned as soon as possible and in any event so as to be received by post or (during normal business hours only) by hand to Neville Registrars, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA no later than 1.00 pm on 22 March 2016. A reply-paid envelope for use in the UK is enclosed for your convenience. If you hold your Tangent Shares in uncertificated form (that is, in CREST), you should read paragraph 14 of the letter from Writtle in Part I of this document and follow the procedure for electronic acceptance through CREST so that the TTE Instruction settles no later than 1.00 pm on 22 March 2016. If you are a CREST sponsored member, you should refer to your CREST sponsor as only your CREST sponsor will be able to send the necessary TTE Instruction to Euroclear UK & Ireland Limited.**

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## **Recommended Cash Offer**

**By**

# **WRITTLE HOLDINGS LIMITED**

**to acquire the entire issued and to be issued share capital of**

# **TANGENT COMMUNICATIONS PLC**

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BDO LLP, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting for Writtle as financial adviser in relation to the Offer, and is not acting for or advising any other person and accordingly will not be responsible to any other person other than Writtle for providing the protections afforded to the clients of BDO LLP or for providing advice in relation to the contents of this document or any offer or arrangement referred to herein. Neither BDO LLP nor any of its affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of BDO LLP in connection with this document, any statement contained herein, the Offer or otherwise.

Stockdale Securities Limited, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority for investment business activities, is acting as financial adviser to Tangent in connection with the Offer and no one else, and will not be responsible to anyone other than Tangent for providing the protections afforded to clients of Stockdale Securities Limited nor for providing advice in relation to the Offer, or the contents of this document or any arrangement referred to herein.

Any person (including nominees, trustees and custodians) who would, or otherwise intends to, forward this document, the Form of Acceptance and/or any accompanying document to any jurisdiction outside the United Kingdom should read paragraph 14 of Part I of this document before taking any action.

### **Dealing disclosure requirements**

Under Rule 8.3(a) of the Takeover Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of: (i) the offeree company; and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th Business Day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th Business Day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Takeover Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of: (i) the offeree company; and (ii) any securities exchange offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the Business Day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at <http://www.thetakeoverpanel.org.uk/>, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. If you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure, you should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129.

## IMPORTANT NOTICE

The statements contained in this document are not to be construed as legal, business, financial or tax advice. If you are in any doubt about the content of this document, you should consult your own legal, financial or tax adviser for legal, business, financial or tax advice.

The statements contained in this document are made as at the date of this document, unless some other time is specified in relation to them, and service of this document shall not give rise to any implication that there has been no change in the facts set out in this document since such date. No dealer, salesperson or other person is authorised to give any information or to make any representations with respect to the Offer other than such information or representations contained in this document and, if given or made, such information or representations must not be relied upon as having been authorised by Writtle or Tangent.

### **Overseas jurisdictions**

The distribution of this document in jurisdictions other than the United Kingdom and the ability of Tangent Shareholders who are not resident in the United Kingdom to participate in the Offer may be affected by the laws of relevant jurisdictions. Therefore any persons who are subject to the laws of any jurisdiction other than the United Kingdom or Tangent Shareholders who are not resident in the United Kingdom will need to inform themselves about, and observe, any applicable legal or regulatory requirements. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction.

Unless otherwise determined by Writtle and permitted by applicable law and regulation, the Offer is not being, and will not be, made available, directly or indirectly, in or into or by the use of the mails of, or by any other means or instrumentality of interstate or foreign commerce of, or any facility of a national state or other securities exchange of any Restricted Jurisdiction, and will not be capable of acceptance by any such use, means, instrumentality or facility from within any Restricted Jurisdiction.

Accordingly, copies of this document, the accompanying Forms of Acceptance and all other documents relating to the Offer are not being, and must not be, directly or indirectly, mailed, transmitted or otherwise forwarded, distributed or sent in, into or from any Restricted Jurisdiction and persons receiving this document (including, without limitation, agents, nominees, custodians and trustees) must not distribute, send or mail it in, into or from such jurisdiction. Any person (including, without limitation, any agent, nominee, custodian or trustee) who has a contractual or legal obligation, or may otherwise intend, to forward this document and/or any other related document to a jurisdiction outside the United Kingdom should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdiction and must not mail, send or otherwise forward or distribute them in, into or from any Restricted Jurisdiction. Doing so may render any purported acceptance of the Offer invalid.

### **Forward-looking statements**

This document contains statements about Writtle and Tangent which are, or may be deemed to be, “forward-looking statements” and which are prospective in nature. All statements other than statements of historical fact included in this document may be forward-looking statements. They are based on current expectations and projections about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as “plans”, “expects”, “is expected”, “is subject to”, “budget”, “scheduled”, “estimates”, “forecasts”, “predicts”, “intends”, “anticipates”, “believes”, “targets”, “aims”, “projects”, “future-proofing” or words or terms of similar substance or the negative of such words or terms, as well as variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “should”, “would”, “might” or “will” be taken, occur or be achieved. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Forward-looking statements may include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of Writtle’s or Tangent’s operations and potential synergies resulting from the Offer; and (iii) the effects of global economic conditions on Writtle’s or Tangent’s business.

These forward looking statements are not guarantees of future financial performance. Except as expressly provided in this document, they have not been reviewed by the auditors of Writtle or Tangent. Such forward looking statements involve known and unknown risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results to differ materially from those projected or implied in any forward looking statements. Due to such uncertainties and risks, readers

are cautioned not to place undue reliance on such forward looking statements, which speak only as of the date of this document. All subsequent oral or written forward looking statements attributable to Writtle or Tangent or any of their respective members, directors, officers or employees or any persons acting on their behalf are expressly qualified in their entirety by the cautionary statement above. Writtle and Tangent disclaim any obligation to update any forward looking or other statements contained herein, except as required by applicable law.

Neither Writtle nor any member of the Writtle Group or the Tangent Group, nor any of their respective associates, directors, officers, employees or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this document will actually occur.

Other than in accordance with its legal or regulatory obligations, neither Writtle nor Tangent is under any obligation and Writtle and Tangent each expressly disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Except as expressly provided in this document, no forward-looking or other statements have been reviewed by the auditors of Writtle or the Tangent Group. All subsequent oral or written forward-looking statements attributable to Writtle or any member of the Tangent Group, or any of their respective associates, directors, officers, employees or advisers, are expressly qualified in their entirety by the cautionary statement above.

#### **No profit forecasts**

No statement in this document is intended to constitute a profit forecast for any period, nor should any statements be interpreted to mean that earnings or earnings per share will necessarily be greater or less than those of the preceding financial periods for Tangent.

#### **Publication on website**

This document, together with those documents listed in paragraph 13 of Part V of this document, and all information incorporated into this document by reference to another source, will be available free of charge, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on Writtle's website at [www.writtle.com](http://www.writtle.com) and on Tangent's website at [www.tangentplc.com](http://www.tangentplc.com), in each case while the Offer remains open for acceptance. For the avoidance of doubt, except as expressly provided in this document, the content of such websites is not incorporated into, and does not form part of, this document.

#### **Availability of hard copies**

You may request hard copies of any document published on Tangent's website in connection with the Offer by contacting the Company Secretary, Tangent Communications PLC, Threeways House, 40-44 Clipstone Street, London W1W 5DW or by calling the company secretary Jamie Beaumont on +44(0)20 7462 6101. You may also request that all future documents, announcements, and information to be sent to you in relation to the Offer should be in hard copy form.

#### **Rounding**

Certain figures included in this document have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

#### **Definitions**

Certain words and terms used in this document are defined in Part VII of this document.

#### **Date of publication**

The date of publication of this document is 1 March 2016.

## TO ACCEPT THE OFFER

If you hold your Tangent Shares in certificated form (that is, not in CREST), to accept the Offer you must complete the enclosed Form of Acceptance in accordance with the instructions printed on it. Return the completed Form of Acceptance (along with your share certificate(s) and/or other documents of title) by post or by hand (during normal business hours only) to Neville Registrars, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA as soon as possible and, in any event, **so as to be received by no later than 1.00 pm (London time) on 22 March 2016**. If you are posting in the UK, the enclosed reply-paid envelope has been provided for your convenience.

If you hold your Tangent Shares in uncertificated form (that is, in CREST), to accept the Offer you must follow the procedure set out in paragraph 14 of Part I of this document **so that the TTE Instruction settles no later than 1.00 pm (London time) on 22 March 2016**. If you hold your Tangent Shares as a CREST sponsored member, you should refer to your CREST sponsor as only your CREST sponsor will be able to send the necessary instruction to Euroclear.

**If you require assistance in completing your Form of Acceptance (or wish to obtain an additional Form of Acceptance), or have questions in relation to making an electronic acceptance, please contact the Receiving Agent, Neville Registrars, on 0121 585 1131. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 am – 5.00 pm, Monday to Friday excluding public holidays in England and Wales. Please note that Neville Registrars cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.**

ALL REFERENCES TO TIME IN THIS DOCUMENT AND IN THE FORM OF ACCEPTANCE ARE TO LONDON TIME UNLESS OTHERWISE STATED.

### Settlement

Subject to the Offer becoming or being declared unconditional in all respects, settlement for those Tangent Shareholders who have validly accepted the Offer will be effected within 14 calendar days of the Offer becoming or being declared unconditional in all respects or, in relation to valid acceptances received after this date, within 14 calendar days of receipt of that acceptance.

## GENERAL

This document should be read as a whole, together with the information incorporated into it by reference, and, in the case of holders of Tangent Shares in certificated form, in conjunction with the Form of Acceptance. Tangent Shareholders are recommended to seek financial advice from their stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under FSMA if they are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser in the relevant jurisdiction.

**THE FIRST CLOSING DATE OF THE OFFER IS 1.00 PM (LONDON TIME) ON  
22 MARCH 2016**

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## PART I

### LETTER FROM THE DIRECTORS OF WRITTLE

*(Incorporated and registered in England with registered number 05226380)*

*Directors:*

Robert Essex (Executive Chairman)  
Graeme Harris (Chief Operating Officer)  
Gary Booker  
Anthony Lucas  
Kevin MacKenzie  
David Powell  
Richard Saysell  
Richard Seymour  
Nigel Stern  
Andrew Sutcliffe  
Richard Williams  
Alan Wright

*Registered Office*  
30 Park Street  
London SE1 9EQ

1 March 2016

To: *Tangent Shareholders and, for information only, to persons with information rights and holders of options and awards granted under the Tangent Share Schemes*

Dear Shareholder

#### **Recommended Cash Offer by Writtle for Tangent**

##### **Introduction**

On 12 February 2016 the directors of Writtle Holdings Limited (“**Writtle**”) (“**Directors**”) announced that Writtle was evaluating a possible cash offer for the issued and to be issued share capital of Tangent Communications PLC (“**Tangent**”). The Directors and independent directors of Tangent (being Kevin Cameron and Nigel Kissack) announced on 29 February 2016 the terms of a recommended cash offer (the “**Offer**”), to be made by Writtle, for the whole of the issued and to be issued share capital of Tangent (excluding treasury shares). It is intended that the Offer will be implemented by way of a takeover offer under the Takeover Code within the meaning of Part 28 of the Companies Act 2006.

##### **1. The Offer**

The Offer is on the following basis:

For each Tangent Share 3.0p in cash

The Offer values the whole of the issued and to be issued share capital of Tangent at approximately £8.750 million (excluding treasury shares).

The Offer represents an opportunity for all Tangent Shareholders to realise their investment at a substantial premium to current market value and the Bidco Offer.

The Offer represents a premium of 33.33% to the offer price of 2.25 pence per Tangent Share made by Bidco on 12 February 2016.

The Offer Price also represents a premium of approximately:

- 117.39% to the Closing Price of 1.38 pence per Tangent Share on 9 February 2016 (being the last Business Day immediately preceding the date of the Bidco Rule 2.7 announcement);
- 108.33% to the average Closing Price of 1.44 pence per Tangent Share over the one month period to 9 February 2016 (being the last Business Day immediately preceding the date of the Bidco Rule 2.7 announcement); and
- 80.72% to the average Closing Price of 1.66 pence per Tangent Share over the three month period to 9 February 2016 (being the last Business Day immediately preceding the date of the Bidco Rule 2.7 announcement).

Given the level of irrevocable undertakings from Tangent Shareholders in support of the Bidco Offer and on the basis that certain of those undertakings will not lapse as a result of the Offer, Writtle has set the acceptance condition for the Offer at over 50% of the voting rights attaching to the Tangent Shares (the “**Acceptance Condition**”).

The Offer will extend, subject to the conditions and certain further terms set out in Part III of this document, to any Tangent Shares unconditionally allotted or issued on the date of this document and to any further Tangent Shares unconditionally allotted or issued while the Offer remains open for acceptance (or such earlier date as Writtle may, subject to the Takeover Code or with the consent of the Panel, decide), including any Tangent Shares unconditionally allotted or issued on the exercise of options and/or the settlement of awards in accordance with the rules of the Tangent Share Schemes.

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

On 10 February 2016, Bidco and the Independent Directors announced that they had reached agreement on the terms of a recommended cash offer for Tangent at a price of 2.25 pence in cash for each Tangent Share. On 12 February 2016, Bidco’s offer document was published and posted to Tangent Shareholders.

On 12 February 2016, Writtle announced that it was evaluating a possible cash offer of no less than 2.75 pence per Tangent Share for the entire issued and to be issued share capital of Tangent (excluding treasury shares). Since then, Writtle has undertaken limited due diligence on Tangent and announced on 29 February 2016 a recommended cash offer for the entire issued and to be issued share capital of Tangent at 3.0 pence per Tangent Share (excluding treasury shares).

Writtle believes that there is a good strategic fit for the services of Tangent with its own range of marketing services. This should enable the selling of new services to each of the respective client bases. On the printing side of the business, Writtle believes that there are capacity benefits from the combined operations. Writtle also believes that the technology of Tangent is complementary to its own technology offer.

Writtle believes the Offer provides the certainty of a realisable value to all Tangent Shareholders and allows them to realise their investment in illiquid Tangent Shares at a substantial premium to current market value and to the Bidco Offer for cash with no transaction commissions or fees.

Writtle believes that, in the absence of a source of liquidity such as the Offer, many Tangent Shareholders are unlikely to be able to realise their shareholdings in Tangent without accepting a discount to the prevailing share price.

## **3. Information on Tangent**

Tangent combines printing and digital marketing businesses. Tangent operates from offices in London, Newcastle and Cheltenham, with digital printing facilities in Newcastle and London.

Tangent’s print business generates print revenues online through its printed.com website, selling a broad range of products including business cards, brochures, leaflets and flyers, posters and wedding stationery. The majority of these products are produced in-house at Tangent’s Newcastle facility. It also provides print services to the estate and letting agency sector through its Ravensworth brand and operates a high-end creative printing business called TOD (Tangent On Demand) in London.

Tangent’s digital marketing business is Tangent Snowball. Tangent Snowball is appointed by its clients to build websites and manage customer communications (email, social and customer service). Tangent Snowball’s clients are both large enterprises and SMEs.

In the year ended 28 February 2015, Tangent reported audited revenue of approximately £26.25 million (2014: £26.50 million) and underlying operating profit of £1.18 million (2014: £2.50 million). In the 6 months ended 31 August 2015, Tangent reported unaudited revenue of £13.37 million (2014: £13.26 million) and underlying operating profit of £0.33 million (2014: £0.96 million).

## **4. Information on Writtle**

Writtle is an investment and management services company that owns majority shareholdings in a portfolio of media and marketing services companies.

Writtle’s companies operate from the UK, US and Hong Kong providing international clients with award-winning business communications, design, packaging and retail marketing services. Writtle invests in media and marketing communications businesses with the aim of creating a substantial international marketing group. The Writtle model continues to be based on equity involvement and decentralised growth. Whether a group company was a start-up or acquired, Writtle will typically hold a majority shareholding alongside management, which creates a

motivational structure. Writtle looks for businesses in the media and marketing communications sector which can demonstrate potential for further growth, either organically or by acquisition, and where Writtle can add value through its experience or by funding further expansion. Growth opportunities are typically identified by operating company management rather than dictated by the centre. However, when larger opportunities have been identified, as with the acquisition of Loewy Group, Writtle has integrated the group companies into Writtle and promoted the individual company brands. Alongside this decentralised approach comes a re-incentivisation package for operational management through the opportunity to purchase equity on favourable terms in their companies, and participation in share option schemes in Writtle. This creates a lean head office structure, as well as considerable incentives for management in their individual companies and the group as a whole. Writtle encourages individual company autonomy and identity.

Each of the companies within the Writtle Group operates independently, and is led by its own experienced management team with a Writtle director on each board. Writtle provides both the funding and business experience to underpin sustainable and profitable growth.

Writtle currently has 12 operating companies and the Writtle Group employs in excess of 800 people with audited turnover for the year ended 31 December 2014 of £83.12 million and EBITDA of £7.48 million. For the six months ended 30 June 2015 unaudited turnover was £39.25 million and EBITDA of £2.22 million.

Current trading remains in line with management expectations.

The audited consolidated financial statements of Writtle for the financial years ended 31 December 2013 and 31 December 2014 and the unaudited financial statements for the six months ended 30 June 2015 are incorporated into this document by reference and are also each available on the Writtle website, [www.writtle.com](http://www.writtle.com). These financial statements include information on the following:

- turnover, net profit or loss before and after taxation, the charge for tax, minority interests, in each case for the financial periods ended 2013, 2014 and six months ended 30 June 2015;
- significant accounting policies together with any points from the notes to the accounts which are of major relevance to the appreciation of the figures; and
- a statement of the assets and liabilities shown in the last published audited accounts for the period ended 31 December 2014 and unaudited financial information ended 30 June 2015.

Part IV of this document sets out more detailed information from the annual report and accounts and half yearly report and details of how to obtain hard copies of documents incorporated by reference into this document.

## **5. Strategy following completion of the Offer**

Following completion of the Offer, Writtle believes that the enlarged group will be able to increase the range of its marketing services business adding scale to the Writtle Group and accelerating the growth of both Writtle and Tangent.

Writtle believes it could introduce an additional range of services across the client base of Tangent and introduce services currently provided by Tangent to Writtle's clients.

Writtle would also seek to utilise any spare digital printing capacity that exists at Tangent.

Writtle believes that it can combine the technology owned by Tangent with the technology owned by companies in the Writtle Group. Writtle also intends to invest further into this combined technology offer, to provide a significantly improved service to clients.

## **6. Management and employees**

Writtle attaches great importance to the skills and experience of the existing management and employees of Tangent and expects them to play an important role in the ongoing development of the business. The existing employment rights, including pension rights, of the employees and management of the Tangent Group will be fully safeguarded and Writtle has no current intention to make any changes to the staffing levels of the business or any material changes in the conditions of employment of the employees of the Tangent Group as a result of the Offer. Writtle also confirms that it has no intention of making any material changes to Tangent's ongoing pension contribution obligations for existing employees and members of Tangent's pension schemes. Writtle has not come to a conclusion in respect of the continued employment of the directors of Tangent.

In addition Writtle intends to increase incentives for profitable growth through the introduction of Writtle bonus schemes for Tangent employees and to provide an opportunity for Tangent management to acquire equity ownership.



Writtle has no current intention to make any change to Tangent's principal place of business or to redeploy any of its fixed assets.

If the Offer becomes, or is declared, unconditional in all respects, Writtle would expect to nominate new directors to the board of Tangent.

## **7. Financing of the Offer**

The Offer will be financed from a combination of existing cash resources of Writtle, a debt facility from Barclays Bank PLC and loans from two shareholders of Writtle.

Writtle will finance £2.750 million out of its existing cash resources.

Barclays Bank PLC has made available a facility of £4.5 million to Writtle to finance the Offer. The loan is repayable by 10 September 2017 and carries an interest rate of 1.75%-2.25% over LIBOR. The loan is secured over certain assets of the Writtle Group.

Two shareholders of Writtle have made available loans of £1.5 million in aggregate to Writtle to finance the Offer. The loans are: (i) repayable by 31 December 2017 and carry an interest rate of 5% over the base rate of the Bank of England from time to time; and (ii) repayable within nine months from drawdown and carry an interest rate of 12%. The loans are unsecured.

BDO LLP ("**BDO**"), which is acting as financial adviser to Writtle, is satisfied that sufficient resources are available to Writtle to enable it to satisfy, in full, the cash consideration payable to Tangent Shareholders under the Offer.

Further details of the financing of the Offer are set out in paragraph 8 of Part V of this document.

## **8. Tangent Share Schemes**

The Offer will extend, subject to the conditions and principal further terms contained in Part III of this document, to any Tangent Shares unconditionally allotted or issued on the date the Offer is made and to any further Tangent Shares unconditionally allotted or issued while the Offer remains open for acceptance (or such earlier date as Writtle may, subject to the Takeover Code or with the consent of the Panel, decide) including any which are so unconditionally allotted or issued pursuant to the exercise of options and for settlement of awards in accordance with the rules of the Tangent Share Schemes.

Holders of Tangent Share Options under the Tangent Share Option Schemes will be invited to exercise their options and to accept the Offer in respect of the resulting Tangent Shares on a "cashless" basis, so that any exercise price, income tax and employee National Insurance contributions due will be deducted from the Offer proceeds payable to them and remitted to Tangent and HMRC as appropriate.

Those Tangent employees who are entitled to be granted options under the Tangent Share Option Schemes (but have not yet received them) will be invited to surrender their entitlements in consideration of a cash payment equal to the difference per share between the exercise price of the options to which they are entitled and the Offer Price.

Participants in the Tangent Share Incentive Plan will be invited to instruct the SIP Trustee to accept the Offer on their behalf in relation to all of the partnership, matching and/or dividend shares that the SIP Trustee holds on participants' behalf.

As noted above, participants in the Tangent Share Option Schemes and the Tangent Share Incentive Plan will be contacted separately to explain these proposals.

## **9. Offer related arrangements**

### ***Confidentiality agreement***

Writtle and Tangent entered into a confidentiality agreement dated 18 February 2016 (the "**Confidentiality Agreement**") pursuant to which Writtle has undertaken to: (i) keep confidential information relating to the Tangent Group confidential and not to disclose it to third parties (other than to permitted disclosees) unless required by law or regulation; and (ii) comply with customary non-contact provisions other than in connection with ordinary course matters unconnected with the Offer.

### ***Memorandum relating to Tangent Share Schemes***

A memorandum has been adopted by Writtle and Tangent in relation to the intended treatment of options or awards under the Tangent Share Schemes and Tangent Share Option Schemes, the content of which is summarised in paragraph 8 of this Part I.

## **10. Cancellation of admission to trading on AIM, compulsory acquisition of Tangent Shares and re-registration as a private limited company**

As soon as it is appropriate to do so, and subject to: (i) the Offer becoming or being declared unconditional in all respects; (ii) Writtle receiving valid acceptances in respect of Tangent Shares which, together with the Tangent Shares already owned or agreed to be acquired by Writtle before or during the Offer, represent not less than 75% of the voting rights of Tangent; and (iii) any applicable requirements of the London Stock Exchange and the AIM Rules, Writtle intends to procure that Tangent applies to the London Stock Exchange for the admission to trading on AIM of the Tangent Shares to be cancelled. It is anticipated that such cancellation will take effect no earlier than twenty Business Days after Writtle has, by virtue of acceptances of the Offer, acquired or agreed to acquire issued share capital carrying 75% of the voting rights of Tangent. Cancellation of admission to trading on AIM will significantly reduce the liquidity and marketability of any Tangent Shares in respect of which valid acceptances of the Offer are not submitted.

If sufficient valid acceptances are received, Writtle: (i) intends to apply the provisions of sections 979-991 (inclusive) of the Companies Act to acquire compulsorily, on the same terms as the Offer, any outstanding Tangent Shares to which the Offer relates; and (ii) proposes that Tangent will be re-registered as a private limited company in due course.

However, should the Offer become or be declared unconditional in all respects and those acceptances of the Offer in respect of share capital carry less than 75% of the voting rights of Tangent, Writtle intends that Tangent will continue its existing admission to trading on AIM subject to any applicable requirements of the London Stock Exchange and the AIM Rules.

## **11. Overseas Shareholders**

The availability of the Offer to Tangent Shareholders who are not resident in the United Kingdom may be affected by the laws of their relevant jurisdiction. Such persons should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdiction. If you remain in any doubt, you should consult your professional adviser in the relevant jurisdiction without delay.

The attention of Tangent Shareholders who are citizens or residents of jurisdictions outside the United Kingdom or who are holding shares for such citizens or residents and any person (including, without limitation, any agent, nominee, custodian or trustee) who may have an obligation to forward any document in connection with the Offer outside the United Kingdom is drawn to paragraph 5 of Section B of Part III of this document, paragraph (c) of Section C of Part III of this document and/or paragraph (b) of Section D of Part III to this document and, if the Tangent Shares are held in certificated form, to the relevant provisions of the Form of Acceptance, which they should read before taking any action.

The Offer is not being made, directly or indirectly in, into or from any Restricted Jurisdiction or any other jurisdiction where to do so would violate the laws of that jurisdiction, and it is not currently intended that the Offer will be capable of acceptance by any such use, means, instrumentality or facility from within any such jurisdiction. Accordingly, persons who are unable to give the warranties set out in paragraph (c) of Section C of Part III of this document and/or paragraph (b) of Section D of Part III of this document may be deemed not to have validly accepted the Offer.

Notwithstanding the foregoing, Writtle will retain the right to permit the Offer to be accepted and any sale of securities pursuant to the Offer to be completed if, in its sole discretion, it is satisfied that the transaction in question can be undertaken in compliance with applicable law and regulation.

## **12. Taxation**

Your attention is drawn to paragraph 7 of Part V of this document which sets out a general guide on United Kingdom capital gains taxation, based on current legislation and practice. If you are in any doubt as to your tax position or are subject to taxation in any jurisdiction other than the United Kingdom, you should consult an appropriate independent professional adviser immediately.

## **13. Action to be taken**

Your decision as to whether to accept the Offer will depend upon your individual circumstances. If you are in any doubt as to what action you should take, you should seek your own independent professional advice.

The procedure for acceptance of the Offer is set out below, and, if you hold your shares in certificated form, in the Form of Acceptance.

#### **14. Procedure for acceptance of the Offer**

Tangent Shareholders who hold their shares in certificated form (that is, not in CREST) should read this section in conjunction with the Form of Acceptance and Sections B and C of Part III of this document. The instructions on the Form of Acceptance are deemed to form part of the terms of the Offer. Tangent Shareholders who hold their shares in uncertificated form (that is, in CREST) should read this section in conjunction with Sections B and D of Part III of this document.

##### ***Tangent Shares held in certificated form (that is, not in CREST)***

#### **(a) Completion of Form of Acceptance**

To accept the Offer in respect of Tangent Shares held in certificated form (that is, not in CREST), you must complete the Form of Acceptance in accordance with the instructions set out below and on the Form of Acceptance. You should complete separate Forms of Acceptance for Tangent Shares held in certificated form but under different designations. If you have any queries as to how to complete the Form of Acceptance, please telephone the Receiving Agent, Neville Registrars, on 0121 585 1131. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 am – 5.00 pm, Monday to Friday excluding public holidays in England and Wales. Please note that Neville Registrars cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

The instructions printed on the Form of Acceptance shall be deemed to form part of the terms of the Offer.

#### **(b) Return of Form of Acceptance**

To accept the Offer in respect of Tangent Shares held in certificated form, the completed, signed and (where applicable) witnessed Form of Acceptance should be returned by post or by hand (during normal business hours) to Neville Registrars, together (subject to paragraph (c) below) with the relevant share certificate(s) and/or other document(s) of title, as soon as possible and, in any event, so as to be received **not later than 1.00 pm (London time) on 22 March 2016**. A reply-paid envelope for use in the UK only is enclosed for your convenience. No acknowledgement of receipt of documents will be given.

Any Form of Acceptance received in an envelope post-marked in a Restricted Jurisdiction, or otherwise appearing to Writtle or its agents to have been sent from any of these jurisdictions, may be rejected as an invalid acceptance of the Offer. For further information for Tangent Shareholders resident overseas, see paragraph 11 of this Part I.

#### **(c) Share certificates not readily available or lost**

If your Tangent Shares are in certificated form, a completed, signed and (where applicable) witnessed Form of Acceptance should be accompanied by the relevant share certificate(s) and/or other document(s) of title. If for any reason the relevant share certificate(s) and/or other document(s) of title is/are not readily available or is/are lost, you should nevertheless complete, sign and return the Form of Acceptance by post, using the enclosed reply-paid envelope, or by hand (during normal business hours) to Neville Registrars as soon as possible and, in any event, so as to be received **not later than 1.00 pm (London time) on 22 March 2016**. You should send with the Form of Acceptance any share certificate(s) and/or other document(s) of title which you may have available, accompanied by a letter stating that the remaining documents will follow as soon as possible or that you have lost one or more of your share certificate(s) and/or other document(s) of title. You should then arrange for the relevant share certificate(s) and/or other document(s) of title to be forwarded as soon as possible. If you have lost your share certificate(s) and/or other document(s) of title you should write as soon as possible to Tangent's Registrar, Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, requesting a letter of indemnity for the lost share certificate(s) and/or other document(s) of title which, when completed in accordance with the instructions given, should be returned by post or by hand (during normal business hours) to the Receiving Agent at the address given above.

#### **(d) Validity of acceptances**

Without prejudice to Sections B and C of Part III of this document, subject to the provisions of the Takeover Code, Writtle reserves the right to treat as valid, in whole or in part, any acceptance of the Offer which is not entirely in order or which is not accompanied by the relevant share certificate(s) and/or other document(s) of title. In that event, no payment of cash under the Offer will be made until after the relevant share certificate(s) and/or other document(s) of title or indemnities satisfactory to Writtle have been received.

(e) **Overseas Shareholders**

The attention of Tangent Shareholders holding shares in certificated form and who are citizens or residents of jurisdictions outside the United Kingdom is drawn to paragraph 11 of this Part I and paragraph 5 of Section B of Part III of this document and paragraph (c) of Section C of Part III of this document.

*Tangent Shares held in uncertificated form (that is, in CREST)*

(f) **General**

If your Tangent Shares are in uncertificated form, to accept the Offer you should take (or procure the taking of) the action set out below to transfer the Tangent Shares in respect of which you wish to accept the Offer to the appropriate escrow balance(s), specifying the Receiving Agent (in its capacity as a CREST participant under the Escrow Agent's participant ID referred to below) as the Escrow Agent, as soon as possible **and in any event so that the TTE Instruction settles not later than 1.00 pm (London time) on 22 March 2016. Note that settlement cannot take place on weekends or bank holidays (or other times at which the CREST system is non-operational) – you should therefore ensure you time the input of any TTE Instructions accordingly.**

The input and settlement of a TTE Instruction in accordance with this paragraph will (subject to satisfying the requirements set out in Sections B and D of Part III) constitute an acceptance of the Offer in respect of the number of Tangent Shares so transferred to escrow.

**If you are a CREST sponsored member, you should refer to your CREST sponsor before taking any action. Only your CREST sponsor will be able to send the TTE Instruction(s) to Euroclear in relation to your Tangent Shares.**

After settlement of a TTE Instruction, you will not be able to access the Tangent Shares concerned in CREST for any transaction or charging purposes. If the Offer becomes or is declared unconditional in all respects, the Escrow Agent will withdraw the Tangent Shares which will be transferred to Writtle in accordance with Section D of Part III of this document.

You are recommended to refer to the CREST Manual issued by Euroclear for further information on the CREST procedure outlined below.

**You should note that Euroclear does not make available special procedures, in CREST, for any particular corporate action. Normal system timings and limitations will therefore apply in connection with a TTE Instruction and its settlement. You should therefore ensure that all necessary action is taken by you (or by your CREST sponsor) to enable a TTE Instruction relating to your Tangent Shares to settle prior to 1.00 pm (London time) on 22 March 2016. In this connection, you are referred in particular to those sections of the CREST Manual concerning the practical limitations of the CREST system and timings.**

(g) **To accept the Offer**

To accept the Offer in respect of your Tangent Shares in uncertificated form, you should send (or, if you are a CREST sponsored member, procure that your CREST sponsor sends) to Euroclear a TTE Instruction in relation to such Tangent Shares. A TTE Instruction to Euroclear must be properly authenticated in accordance with Euroclear's specifications for transfers to escrow and must contain the following details:

- the ISIN number for the Tangent Shares. This is GB0005405849;
- the number of Tangent Shares in respect of which you wish to accept the Offer (i.e. the number of Tangent Shares to be transferred to escrow);
- your member account ID;
- your participant ID;
- the participant ID of the Escrow Agent. This is **7RA11**;
- the member account ID of the Escrow Agent for the Offer. This is **WRITTLE**;
- the intended settlement date. This should be as soon as possible and, in any event, **not later than 1.00 pm (London time) on 22 March 2016**;
- the corporate action number of the Offer. This is allocated by Euroclear and will be available on screen from Euroclear;

- input with a standard delivery instruction priority of 80; and
- a contact name and telephone number in the shared note field.

If you hold Tangent Shares in uncertificated form through one or more intermediaries, such as a stockbroker, custodian bank or clearing system, you should confirm the instruction deadline which such intermediaries have established to accept the Offer on your behalf. The custodian bank or stockbroker may set an earlier deadline for receiving instructions from you in order to permit the custodian bank or stockbroker to communicate acceptances to the Receiving Agent in a timely manner. **In order for acceptances to be counted towards the Acceptance Condition, you may need to take action well in advance of the announced deadline for acceptance.**

**(h) Validity of Acceptances**

Holders of Tangent Shares in uncertificated form who wish to accept the Offer should note that a TTE Instruction will only be a valid acceptance of that Offer as at the relevant closing date if it has settled on or before 1.00 pm (London time) on that date. A Form of Acceptance which is received in respect of Tangent Shares held in uncertificated form may be treated as an invalid acceptance and may be disregarded.

Writtle will make an appropriate announcement if any of the details contained in this paragraph alter for any reason.

**(i) Overseas Shareholders**

The attention of Tangent Shareholders holding Tangent Shares in uncertificated form and who are citizens or residents of jurisdictions outside the United Kingdom is drawn to paragraph 11 of this Part I, paragraph 5 of Section B of Part III of this document and paragraph (b) of Section D of Part III of this document.

**(j) Further information**

Normal CREST procedures (including timings) apply in relation to any Tangent Shares that are, or are to be, converted from uncertificated form to certificated form, or from certificated form to uncertificated form, during the course of the Offer (whether any such conversion arises as a result of a transfer of Tangent Shares or otherwise). Holders of Tangent Shares who are proposing to convert any such shares are recommended to ensure that the conversion procedures are implemented in sufficient time to enable the person holding or acquiring the shares as a result of the conversion to take all necessary steps in connection with an acceptance of the Offer (in particular, as regards delivery of a Form of Acceptance or transfers to an escrow balance as described above) before 1.00 pm (London time) on 22 March 2016.

**If you are in any doubt as to the procedure for acceptance of the Offer, please contact the Receiving Agent, Neville Registrars, on 0121 585 1131. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 am – 5.00 pm, Monday to Friday excluding public holidays in England and Wales. Please note that Neville Registrars cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.**

**15. Settlement**

Subject to the Offer becoming or being declared unconditional in all respects (and except as provided in paragraph 5 of Section B of Part III of this document in the case of certain overseas shareholders), settlement of the consideration to which any Tangent Shareholder (or the first-named shareholder in the case of joint holders) is entitled under the Offer will be effected: (i) in the case of acceptances received, complete in all respects, by the date on which the Offer becomes or is declared unconditional in all respects, within 14 calendar days of such date; and (ii) in the case of acceptances received, complete in all respects, after such date but while the Offer remains open for acceptance, within 14 calendar days of such receipt, in the manner set out below.

*(a) Tangent Shares in certificated form (that is, not in CREST)*

Where an acceptance relates to Tangent Shares in certificated form, settlement of any cash due will be despatched by first class post (or such other method as may be approved by the Panel) to accepting Tangent Shareholders or their appointed agents (but not in a Restricted Jurisdiction). All such cash payments will be made in pounds by cheque drawn on a branch of the United Kingdom clearing bank.

(b) *Tangent Shares in uncertificated form (that is, in CREST)*

Where an acceptance relates to Tangent Shares in uncertificated form, the cash consideration which the accepting Tangent Shareholder is entitled to will be paid by means of a CREST payment in favour of the accepting Tangent Shareholder's payment bank in respect of the cash consideration due, in accordance with CREST payment arrangements. Writtle reserves the right to settle all or any part of the consideration referred to in this paragraph, for all or any accepting Tangent Shareholder(s), in the manner referred to in paragraph 15(a) above, if, for any reason, it wishes to do so, except in circumstances where the accepting Tangent Shareholder has informed the Receiving Agent in writing prior to the Offer becoming or being declared unconditional in all respects that it is unwilling to accept settlement of the consideration by cheque.

(c) *Lapsing or withdrawal of the Offer*

If the Offer does not become or is not declared unconditional in all respects:

- a) in the case of Tangent Shares held in certificated form, the relevant Form of Acceptance and relevant share certificate(s) and/or document(s) of title will be returned by post (or by such other method as may be approved by the Panel) within 14 calendar days of the Offer lapsing to the person or agent whose name and address (outside a Restricted Jurisdiction) is set out in the Form of Acceptance or, if none is set out, to the first-named holder at his or her registered address (provided that no such document(s) will be sent to an address in a Restricted Jurisdiction); and
- b) in the case of Tangent Shares held in uncertificated form, the Escrow Agent will, immediately after the lapsing of the Offer (or within such longer period as the Panel may permit, not exceeding 14 calendar days of the lapsing of the Offer), give TFE Instructions to Euroclear to transfer all Tangent Shares which are held in escrow balances and in relation to which it is the Escrow Agent for the purposes of the Offer to the original available balances of the Tangent Shareholders concerned.

(d) *General*

All remittances, communications, notices, certificates and documents of title sent by, to or from Tangent Shareholders or their appointed agents will be sent at their own risk.

## 16. Further information

The terms and conditions of the Offer are set out in full in Part III of this document. Your attention is drawn to the further information in the remaining Parts of this document, and, if your Tangent Shares are in certificated form, to the accompanying Form of Acceptance which should be read in conjunction with this document.

If you have any questions relating to acceptance of the Offer, please contact the Receiving Agent, Neville Registrars, on 0121 585 1131. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 am – 5.00 pm, Monday to Friday excluding public holidays in England and Wales. Please note that Neville Registrars cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

Yours sincerely



**Robert Essex**

*Executive Chairman*  
For and on behalf of  
Writtle Holdings Limited

## PART II

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London W1W 5DW

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**TANGENT**  
Communications PLC

### LETTER FROM THE INDEPENDENT DIRECTORS OF TANGENT (Incorporated and registered in England with registered number 03967805)

*Independent Directors:*  
Kevin Cameron  
Nigel Kissack

*Registered Office*  
Threeways House  
40-44 Clipstone Street  
London W1W 5DW

1 March 2016

To: *Tangent Shareholders and, for information only, to persons with information rights and holders of options and awards granted under the Tangent Share Schemes*

Dear Shareholder

#### **Recommended Cash Offer by Writtle for Tangent**

It was announced on 29 February 2016 that the directors of Writtle and the independent directors of Tangent had reached agreement on the terms of a recommended cash offer to be made by Writtle for the whole of the issued and to be issued share capital of Tangent (excluding treasury shares).

The purpose of this letter is to explain reasons why we, the Independent Directors, who have been so advised by Stockdale, consider the terms of the Offer to be fair and reasonable and recommend that you accept the Offer in respect of all of your Tangent Shares.

In providing advice to us, Stockdale has taken into account our commercial assessments. Stockdale is providing independent financial advice to the Independent Directors for the purposes of Rule 3 of the Takeover Code.

#### **1. Background to and reasons for recommendation of the Offer**

On 10 February 2016, Bidco and the Independent Directors announced that they had reached agreement on the terms of a recommended cash offer for Tangent at a price of 2.25 pence in cash for each Tangent Share. On 12 February 2016, Bidco's offer document was published and posted to Tangent Shareholders.

On 12 February 2016, Writtle announced that it was evaluating a possible cash offer of no less than 2.75 pence per Tangent Share for the entire issued and to be issued share capital of Tangent (excluding treasury shares). Since then Writtle has undertaken limited due diligence on Tangent and on 29 February 2016 announced a recommended cash offer for the entire issued and to be issued share capital of Tangent at 3.0 pence per Tangent Share (excluding treasury shares).

The Independent Directors have considered the merits of the Bidco Offer and the Offer and are now recommending the Offer of 3.0 pence in cash for each Tangent Share as it provides the most value for Tangent Shareholders. Furthermore, the Independent Directors believe that the Offer provides an attractive premium to the prevailing price of a Tangent Share and the Bidco Offer and allows Tangent Shareholders to realise their investment in illiquid Tangent Shares for cash with no transaction costs.

Tangent Shareholders should note that the Bidco Offer will lapse at 1.00 pm on 4 March 2016 unless Bidco elects to extend its offer. If Bidco does not extend its offer and the Offer does not become wholly

unconditional, there will be no immediate liquidity event for Tangent Shareholders (in the absence of any other offer for Tangent becoming wholly unconditional). For this reason, the Independent Directors have required that the Acceptance Condition only requires more than 50% of the voting rights attaching to the Tangent Shares. This means that for this condition to be successful there is no absolute requirement for Bidco (together with its concert parties) to accept the Offer in respect of their Tangent Shares.

The Independent Directors wish to remind Tangent Shareholders that Bidco has received irrevocable commitments from each of the directors of Tangent to accept (or procure the acceptance of) the Bidco Offer in respect of their Tangent Shares which in aggregate relate to 93,853,260 Tangent Shares, representing approximately 33.78% of Tangent's issued share capital. All of these irrevocable commitments continue to be binding in the event of a higher competing offer (such as the Offer) being made for Tangent and will cease to be binding only if the Bidco Offer lapses or is withdrawn.

In addition, Bidco procured irrevocable commitments from certain other Tangent Shareholders to accept (or procure the acceptance of) the Bidco Offer in respect of their Tangent Shares which in aggregate relate to 60,083,077 Tangent Shares, representing approximately 21.63% of Tangent's issued share capital.

The irrevocable commitment procured by Bidco from Livingbridge EP LLP in respect of 31,383,077 Tangent Shares (comprising 11.30% of the issued share capital of Tangent) ceases to be binding upon the announcement, by a third party, of a firm intention to make an offer for the entire issued share capital of Tangent at not less than 2.5 pence per Tangent Share. This has therefore lapsed upon publication of the Rule 2.7 Announcement.

The irrevocable commitments procured by Bidco from Oryx International Growth Fund and Hargreave Hale in respect of, in aggregate, 28,700,000 Tangent Shares, comprising 10.33% of the issued share capital of Tangent, cease to be binding if: (i) a higher third party offer is made for Tangent at a price per Tangent Share more than 10% above the Bidco Offer (as determined by reference to the price set out in the announcement of the firm intention to make an offer issued by such third party); and (ii) a period of ten days has elapsed from the date of announcement of such offer without Bidco having revised the terms of its offer such that the value of its revised offer exceeds the value per Tangent Share of the offer by such third party. This means that these irrevocable commitments will remain binding for ten more days (absent a revised offer from Bidco) and will lapse after that. As a consequence, both Oryx International Growth Fund and Hargreave Hale will be required to accept the Bidco Offer (as they are required to do this by 4 March 2016) and will not be able to withdraw their acceptances until permitted to do so under the terms of the Bidco Offer.

## **2. Current trading**

Current trading for Tangent remains in line with statements made in Tangent's interim results announcement for the six month period ended 31 August 2015.

## **3. Management and Employees**

Your attention is drawn to the statement of Writtle's plans for Tangent if the Offer becomes or is declared wholly unconditional, as set out in paragraphs 5 and 6 of the letter from the directors of Writtle in Part I of this document.

The Independent Directors are pleased to note the statements made by Writtle in the letter from the directors of Writtle set out in Part I of this document that the existing employment rights, including pension rights, of the employees and management of the Tangent Group will be fully safeguarded and that Writtle has no current intention to make any material change to the Tangent Group's business, the conditions of employment of the employees of the Tangent Group, Tangent's contributions to the Tangent Group's pension schemes or to make any changes to overall staffing levels within the business. Additionally, the Independent Directors have noted that Writtle has no current intention to make any change to Tangent's principal place of business or to redeploy any of its fixed assets.

## **4. Cancellation of admission to trading on AIM, compulsory acquisition of Tangent Shares and re-registration as a private limited company**

Your attention is drawn to paragraph 10 of the letter from the directors of Writtle in Part I of this document in relation to Writtle's intentions with regard to the application for cancellation of admission to trading of the Tangent Shares on AIM and the re-registration of Tangent as a private limited company.



## 5. Recommendation

The Independent Directors, who have been so advised by Stockdale, consider the terms of the Offer to be fair and reasonable and accordingly unanimously recommend that Tangent Shareholders accept the Offer. In providing its advice to the Independent Directors, Stockdale has taken into account the Independent Directors' commercial assessments.

Prior to the release of the possible offer announcement by Writtle on 12 February 2016, the Independent Directors had irrevocably undertaken at the time of the release of the Bidco Rule 2.7 announcement to accept (or procure the acceptance of) the Bidco Offer in respect of their own beneficial holdings of 1,611,974 Tangent Shares, representing, in aggregate, approximately 0.58% of Tangent's issued share capital. If the Bidco Offer was to lapse or be withdrawn and the Independent Directors were released from their irrevocable undertakings, it is their current intention to accept the Offer in respect of their own beneficial holdings of Tangent Shares but only if the Offer becomes or is declared wholly unconditional. Although in their capacity as directors of Tangent, the Independent Directors believe that the Offer is fair and reasonable and is at a significant premium to the Bidco Offer, in a personal capacity they have more confidence in, and familiarity with, the strategy for the Tangent business proposed by the incumbent management team and, in Kevin Cameron's case, more security of continued employment. As a result they do not intend to accept the Offer unless Writtle first obtains control of Tangent.

Yours sincerely



**Kevin Cameron**

For and on behalf of the Independent Directors

## PART III

### CONDITIONS AND CERTAIN FURTHER TERMS OF THE OFFER

#### Section A: Conditions of the Offer

Except where the context otherwise requires, references in this Part III to:

- (a) the “**Offer**” include any revision or extension of it; and
- (b) the Offer “**becoming unconditional**” include references to the Offer being declared unconditional, and are to be construed as references to the Offer becoming unconditional as to acceptances whether or not any other condition of the Offer remains to be fulfilled.

1. The Offer is subject to the following conditions.

- 1.1 Valid acceptances being received (and not, where permitted, withdrawn) by 1.00 pm on the first closing date of the Offer (or such later time(s) and/or date(s) as Writtle may (subject to the Takeover Code and with the consent of the Panel) decide) in respect of more than 50% of the voting rights then normally exercisable at general meetings of Tangent (including for this purpose to the extent, if any, required by the Panel any votes attributable to Tangent Shares which are unconditionally allotted or issued before the Offer becomes or is declared unconditional as to acceptances, whether pursuant to the exercise of conversion or subscription rights or otherwise).

For the purpose of this condition Tangent Shares which have been unconditionally allotted but not issued shall be deemed to carry the votes which they will carry upon issue.

- 1.2 No government or governmental, quasi-governmental, supranational, statutory or regulatory body, court, trade agency, professional association or any other person or body in any jurisdiction (“**Authorities**”) having instituted or threatened any action, proceedings, suit, enquiry or investigation or made, proposed or enacted after the date of the Rule 2.7 Announcement any statute, regulation or order that would or might reasonably be expected to (in any case which is material in the context of the Offer):

- (a) make the Offer or the acquisition or proposed acquisition of any Tangent Shares illegal or otherwise restrain, prohibit, restrict or interfere in or delay implementation of, or impose additional conditions or obligations with respect to, or otherwise challenge the proposed acquisition of Tangent or any Tangent Shares by Writtle;
- (b) require or prevent the divestiture by Writtle or any of its subsidiaries (the “**Writtle Group**”) or any of its associated companies (together the “**wider Writtle Group**”) or by Tangent or any of its subsidiaries (the “**Tangent Group**”) or any associated person (together the “**wider Tangent Group**”) of all or any part of their respective businesses, assets or property or impose any limitation on the ability of any of them to conduct their respective businesses or own their respective assets or property;
- (c) impose any limitation on the ability of a member of the wider Writtle Group to acquire or hold or effectively to exercise all rights of ownership of Tangent Shares or on the ability of a member of the wider Tangent Group or of the wider Writtle Group to hold or effectively to exercise all or any rights of ownership of shares in a member of the wider Tangent Group or to exercise management control over a member of the wider Tangent Group; or
- (d) otherwise adversely affect the business, profits or prospects of a member of the wider Tangent Group or of the wider Writtle Group,

and all applicable waiting periods during which any such Authority could institute, implement or threaten any such action, proceedings, suit, enquiry or investigation having expired or been terminated. For this purpose “**associated**” means a corporation of which not less than 20% of the equity share capital is held, directly or indirectly, by the relevant Group and a partnership or joint venture in which a member of the relevant Group is interested, directly or indirectly.

- 1.3 There being no provision of any arrangement, agreement, licence or other instrument to which a member of the wider Tangent Group is a party, or by or to which any of those members or any of their assets may be bound or be subject, and in each case which could, in consequence of the proposed acquisition of any of the Tangent Shares by Writtle or otherwise, result in:
- a) monies borrowed by or other indebtedness of any such member being or becoming repayable or capable of being declared repayable prior to their stated maturity or the ability of any such member to incur indebtedness being withdrawn or inhibited;
  - b) any arrangement, agreement, licence, or other instrument being terminated or adversely modified or adverse action being taken or an onerous obligation arising under it;
  - c) the interests or business of any member of the wider Tangent Group in or with another firm, venture, company, body or asset (or any arrangements relating to that business or interests) being terminated, modified or affected;
  - d) any member of the wider Tangent Group ceasing to be able to carry on business under a name under which it presently does so;
  - e) the creation of a mortgage, charge, security or other interest over the whole or any part of the business, property or assets of any member of the wider Tangent Group or any such security (whenever arising or having arisen) becoming enforceable; or
  - f) the disposal of assets or creation of liabilities by any member of the wider Tangent Group (other than in the ordinary course of business),
- in each case which is material in the context of the wider Tangent Group taken as a whole.
- 1.4 All necessary filings having been made, all appropriate waiting periods under any applicable legislation or regulation of any territory having expired or been terminated, all necessary statutory and regulatory obligations in connection with the Offer in any jurisdiction having been complied with and all authorisations, orders, grants, recognitions, confirmations, clearances, consents, permissions and approvals necessary for or appropriate to the proposed acquisition in any jurisdiction being obtained in terms and in form reasonably satisfactory to Writtle from all appropriate Authorities or persons with whom any member of the wider Tangent Group has entered into contractual arrangements, and those authorisations, orders, grants, recognitions, confirmations, clearances, consents, permissions and approvals remaining in full force and effect and no notice of an intention to revoke or not to renew them having been received.
- 1.5 Other than as Disclosed, no member of the wider Tangent Group having, since 31 August 2015:
- a) save for: (i) options granted, and for the issue of shares on the exercise of options granted under the Tangent Share Option Schemes, and (ii) awards made, and for the issue of shares to settle awards made, under the Tangent Share Incentive Plan, issued or authorised or proposed the issue of additional shares of any class or securities convertible into, or rights, warrants or options to acquire, any shares or other securities, or transferred or sold or authorised or proposed the transfer or sale of any shares out of treasury or redeemed, purchased or reduced any part of its share capital;
  - b) declared, paid or made or proposed to declare, pay or make a dividend, bonus or other distribution (whether payable in cash or otherwise) in respect of any shares in Tangent;
  - c) authorised or proposed or made an announcement of an intention to propose a merger or demerger or acquisition or change in its share or loan capital or, save in the ordinary course of business, a disposal of assets, creation of a mortgage or encumbrance over assets (or any right, title or interest in any assets) or issue of debentures;
  - d) otherwise than in the ordinary course of business incurred or increased any indebtedness or contingent liability which is material in the context of the Tangent Group taken as a whole, or entered into a material contract, arrangement, reconstruction or amalgamation;
  - e) purchased, redeemed or announced a proposal to purchase or redeem any of its own shares or other securities;
  - f) proposed a voluntary winding-up;
  - g) been unable, or admitted in writing that it is unable, to pay its debts or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business;

- h) waived or compromised a claim which is material in the context of the relevant member of the Tangent Group;
- i) disposed or transferred, mortgaged or encumbered assets or any right, title or interest in an asset or entered into a contract or commitment (whether in respect of capital expenditure or otherwise) which is of a long-term or unusual nature or which involves or could involve an obligation of a nature or magnitude which is material in the context of the Tangent Group taken as a whole;
- j) entered into or varied the terms of a service or consultancy agreement with or in respect of the services of any of the directors of Tangent in any material respect; or
- k) entered into an agreement or commitment or passed a resolution with respect to a transaction or event referred to in this paragraph 1.5 which is material in the context of the wider Tangent Group taken as a whole.

1.6 Other than as Disclosed, since 31 August 2015:

- a) there having been no receiver or administrative receiver or administrator appointed over part of the assets of any member of the wider Tangent Group or analogous proceedings or steps having taken place under the laws of any relevant jurisdiction and there having been no application made for the administration of, or notice of intention to appoint an administrator filed in relation to, any member of the wider Tangent Group or any equivalent proceedings or steps taken under the laws of any relevant jurisdiction;
- b) there having been no adverse change in the financial or trading position or prospects of a member of the wider Tangent Group;
- c) no litigation, arbitration proceedings, prosecution or other legal proceedings having been instituted or threatened or remaining outstanding against or by a member of the wider Tangent Group (whether as plaintiff or defendant or otherwise); and
- d) no contingent liability having arisen which might reasonably be expected to adversely affect a member of the wider Tangent Group,

which is material in each case in the context of the wider Tangent Group taken as a whole.

1.7 Writtle not having discovered

- a) that the financial or business information concerning the wider Tangent Group as contained in the information publicly disclosed at any time by a member of the wider Tangent Group either contains a material misrepresentation of fact or omits a fact necessary to make the information contained in it not materially misleading or that any contingent liability disclosed in that information would or might reasonably be expected to materially and adversely affect directly or indirectly the business, profits or prospects of the wider Tangent Group taken as a whole; or
- a) that a partnership or company in which a member of the wider Tangent Group has a significant economic interest and which is not a subsidiary of Tangent is subject to a liability, contingent or otherwise, which is material in the context of the wider Tangent Group taken as a whole and has not been Disclosed.

2. Writtle reserves the right to waive at its absolute discretion (subject to the requirements of the Takeover Code and the Panel), in whole or in part, all or any of the conditions contained in paragraph 1.2 to paragraph 1.7 inclusive. The conditions contained in paragraph 1.2 to paragraph 1.7 inclusive must be satisfied as at, or waived on or before, the 21st day after the later of the first closing date of the Offer and the date on which the condition contained in paragraph 1.1 is fulfilled (or in each such case such later date as the Panel may agree). Writtle shall, however, be under no obligation to waive or treat as fulfilled any of the conditions contained in paragraph 1.2 to paragraph 1.7 inclusive by a date earlier than the latest date specified above for its satisfaction notwithstanding that the other conditions of the Offer may at such earlier date have been fulfilled and that there are at such earlier date no circumstances indicating that any of such conditions may not be capable of fulfilment.
3. If Writtle is required by the Panel to make an offer or offers for Tangent Shares under the provisions of Rule 9 of the Takeover Code, Writtle may make such alterations to the conditions as are necessary to comply with the provisions of that rule or law.
4. The Offer will lapse (unless the Panel otherwise consents) if, before 1.00 pm on the First Closing Date or the date when the Offer becomes or is declared unconditional as to acceptances, whichever is the later, the

acquisition by Writtle of Tangent is either referred to a Phase 2 Inquiry by the Competition and Markets Authority or results in the European Commission, pursuant to Council Regulation (EC) 139/2004, initiating proceedings under article 6(1)(c) or making a referral to the Financial Conduct Authority under article 9(1). In such circumstances the Offer will cease to become capable of further acceptance and accepting Tangent Shareholders and Writtle shall cease to be bound by acceptances delivered on or before the date on which the Offer so lapses.

## Section B: Further terms of the Offer

Except where the context requires otherwise, any reference in Sections B, C and D of this Part III and in the Form of Acceptance:

- a) to the **Offer** will include any revision, variation or extension of the Offer;
- b) to the **Offer becoming unconditional** will include the Offer becoming or being declared unconditional;
- c) to the Offer being or becoming or being declared **unconditional** will be construed as the Offer becoming or being declared unconditional as to acceptances whether or not any other Condition of the Offer remains to be fulfilled;
- d) to the **Acceptance Condition** means the Condition as to acceptances of the Offer set out in paragraph 1.1 of Part A of this Part III and references to the Offer becoming unconditional as to acceptances will be construed accordingly;
- e) to **acceptances of the Offer** includes deemed acceptances of the Offer;
- f) to an **extension of the Offer** includes a reference to an extension of the date by which the Acceptance Condition has to be fulfilled; and
- g) to the **Offer Document** will mean this document and any other document containing the Offer.

In Sections B, C and D of this Part III and in the Form of Acceptance:

- i. **First Closing Date** means 22 March 2016;
- ii. **Day 39** means 9 April 2016 or such later date as the Panel may agree;
- iii. **Day 46** means 16 April 2016 or such later date as the Panel may agree; and
- iv. **Day 60** means 30 April 2016 or such later date as may be determined by Writtle with the agreement of the Panel to be the last date for fulfilment of the Acceptance Condition in accordance with the Takeover Code.

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

### 1. Acceptance Period

- a) The Offer is initially open for acceptance until 1.00 pm (London time) on the First Closing Date.
- b) Although no revision is envisaged, if the Offer is revised it will remain open for acceptance for a period of at least 14 calendar days (or such other period as may be permitted by the Panel) following the date written notice of the revision is sent to Tangent Shareholders. Except with the consent of the Panel, no revision of the Offer may be made after Day 46 or, if later, the date 14 calendar days before the last date on which the Offer can become unconditional.
- c) The Offer, whether revised or not, will not (except with the consent of the Panel) be capable of becoming unconditional after midnight (London time) on Day 60 (or any other time and/or date beyond which Writtle has stated that the Offer will not be extended and has not, where permitted, withdrawn that statement), nor of being kept open for acceptances after that time and/or date unless the Offer has previously become unconditional, provided that Writtle reserves the right, with the permission of the Panel, to extend the Offer to later time(s) and/or date(s). Except with the consent of the Panel, Writtle may not, for the purposes of determining whether the Acceptance Condition has been satisfied, take into account acceptances received or purchases of Tangent Shares made after 1.00 pm (London time) on Day 60 (or any other time(s) and/or date(s) beyond which Writtle has stated that the Offer will not be extended and has not, where permitted, withdrawn that statement) or, if the Offer is so extended, such later time(s) and/or date(s) as Writtle, with the permission of the Panel, may determine.
- d) If the Offer becomes unconditional, it will remain open for acceptance for not less than 14 calendar days from the date on which it would otherwise have expired. If the Offer has become unconditional and it is stated that the Offer will remain open until further notice, then not less than 14 calendar days' notice in writing will be given before the closing of the Offer by or on behalf of Writtle to those Tangent Shareholders who have not accepted the Offer before closing the Offer.
- e) If a competitive situation arises (as determined by the Panel) and is continuing on Day 60, Writtle will enable holders of Tangent Shares held in uncertificated form who have not already validly accepted the Offer but who have previously accepted the competing offer to accept the Offer by special form of acceptance to

take effect on the day that: (i) it is received by the Receiving Agent on or before Day 60; (ii) the relevant Tangent Shareholder shall have applied to withdraw his acceptance of the competing offer but that the Tangent Shares held in uncertificated form to which such withdrawal relates shall not have been released from escrow before Day 60 by the Escrow Agent to the competing offer; and (iii) the Tangent Shares held in uncertificated form to which the special form of acceptance relates are not transferred to escrow in accordance with the procedure for acceptance set out in the letter from Writtle in Part I of this document on or before Day 60, but an undertaking is given that they will be so transferred as soon as possible thereafter. Tangent Shareholders wishing to use such forms of acceptance should apply to Neville Registrars on 0121 585 1131. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 am – 5.00 pm, Monday to Friday excluding public holidays in England and Wales. Please note that Neville Registrars cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes. Notwithstanding the right to use such special form of acceptance, holders of Tangent Shares held in uncertificated form may not use a Form of Acceptance (or any other purported acceptance form) for the purpose of accepting the Offer in respect of such shares.

- f) If a competitive situation arises (as determined by the Panel) after Writtle has made a “no increase” statement and/or a “no extension” statement (as referred to in the Takeover Code) in connection with the Offer, Writtle may, if it specifically reserves the right to do so at the time such statement is made (or otherwise with the consent of the Panel), choose not to be bound by or withdraw such statement and be free to revise and/or extend the Offer provided it complies with the requirements of the Takeover Code and in particular that:
- i. it announces the withdrawal as soon as possible and in any event within four Business Days of the firm announcement of the competing offer or other competitive situation;
  - ii. it notifies Tangent Shareholders (and persons with information rights) to that effect in writing at the earliest opportunity or, in the case of Tangent Shareholders with registered addresses outside the United Kingdom or whom Writtle knows to be agents, nominees, custodians or trustees holding Tangent Shares for such persons, by announcement in the United Kingdom at the earliest opportunity; and
  - iii. any Tangent Shareholders who accepted the Offer after the date of the “no increase” or “no extension” statement is given a right of withdrawal in accordance with paragraph 3(d) of this Section B.

Writtle may choose not to be bound by a “no increase” or “no extension” statement if, having reserved the right to do so, it publishes an increased or improved offer (either as to the value or form of the consideration or otherwise) which is recommended for acceptance by the Independent Directors, or in other circumstances permitted by the Panel.

- g) Writtle may, if it has reserved the right to do so if Tangent makes an announcement of the kind referred to in Rule 31.9 of the Takeover Code after Day 39, choose not to be bound by a “no increase” and/or “no extension” statement and revise and/or extend the Offer with the consent of the Panel, provided Writtle complies with the requirements of the Takeover Code and in particular, that notice to this effect is published as soon as possible and in any event within four Business Days after the date of the Tangent announcement and Tangent Shareholders are notified in writing or in the case of Tangent Shareholders with registered addresses outside the United Kingdom or who Writtle knows to be agents, nominees, custodians or trustees holding Tangent Shares for such persons, by announcement in the United Kingdom at the earliest opportunity.

## 2. Announcements

- (a) Without prejudice to paragraph 3(a) of this Section B, by 8.00 am (London time) on the Business Day (the **relevant day**) following the day on which the Offer is due to expire or becomes unconditional or is revised or is extended, as the case may be (or such later time or date as the Panel may agree), Writtle will make an appropriate announcement and simultaneously send the announcement to a Regulatory Information Service. In the announcement, Writtle shall state (unless otherwise permitted by the Panel):
- i. the total number of Tangent Shares for which acceptances of the Offer have been received, specifying the extent to which acceptances have been received from persons acting or deemed to be acting in concert with Writtle for the purposes of the Offer or in respect of Tangent Shares which were subject to an irrevocable commitment or a letter of intent procured by Writtle or any persons acting in concert with it;
  - ii. details of any relevant securities of Tangent in which Writtle or any person acting in concert with Writtle has:

- (A) an interest or in respect of which it has a right to subscribe in each case specifying the nature of the interests or rights concerned; and
- (B) any short positions (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery;
- iii. details of any relevant securities of Tangent in respect of which Writtle or any person acting in concert with Writtle has an outstanding irrevocable commitment or letter of intent; and
- iv. details of any relevant securities of Tangent which Writtle or any person acting in concert with it has borrowed or lent, save for any borrowed shares which have been either on-lent or sold,

and will, in each case, specify the percentages of each class of relevant securities of Tangent represented by each of these figures. Any such announcement will specify the total number of Tangent Shares which Writtle may count towards satisfaction of the Acceptance Condition and the percentage of Tangent Shares represented by this figure.

- (b) Any decision to extend the time and/or date by which the Acceptance Condition has to be satisfied may be made at any time up to, and will be announced no later than, 8.00 am (London time) on the relevant day (or such later time and/or date as the Panel may agree). The announcement will also state the next expiry date unless the Offer is unconditional, in which case it may instead state that the Offer will remain open until further notice, and will state the information specified in paragraphs i to iv inclusive of paragraph 2(a) of this Section B.
- (c) In calculating the number of Tangent Shares represented by acceptances and purchases, Writtle may only include acceptances and purchases if they could count towards fulfilling the Acceptance Condition under Notes 4, 5 and 6 on Rule 10 of the Takeover Code, unless the Panel agrees otherwise. Subject to this, Writtle may include or exclude for announcement purposes acceptances and/or purchases which are not complete in all respects or which are subject to verification.
- (d) In this Part III, references to the making of an announcement or the giving of notice by Writtle include the release of an announcement to the press and the delivery by hand or telephone or facsimile transmission or other electronic transmission of an announcement to a Regulatory Information Service in each case by or on behalf of Writtle. An announcement made otherwise than to a Regulatory Information Service will be notified simultaneously to a Regulatory Information Service (unless the Panel otherwise agrees).
- (e) A copy of any announcement made by Writtle in accordance with this paragraph 2 will be available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, for inspection on Writtle's website at <http://www.writtle.com> as soon as possible and in any event by no later than 12 noon on the Business Day following the announcement.
- (f) Without limiting the manner in which Writtle may choose to make any public statement and subject to Writtle's obligations under applicable law and rules and paragraph 2(e) above, Writtle will have no obligation to publish, advertise or otherwise communicate any such public announcement other than by making a release to a Regulatory Information Service.

### **3. Rights of withdrawal**

- (a) If Writtle, having announced the Offer to be unconditional, fails by 3.00 pm (London time) on the relevant day (or such later time and/or date as the Panel may agree) to comply with any of the other relevant requirements specified in paragraph 2(a) of this Section B, an accepting Tangent Shareholder may (unless the Panel otherwise agrees) immediately after that time withdraw his acceptance of the Offer by written notice signed by the accepting Tangent Shareholder (or his agent duly appointed in writing and evidence of whose appointment, in a form reasonably satisfactory to Writtle, is produced with the notice) given by post or by hand (during normal business hours) to Neville Registrars. Alternatively, in the case of Tangent Shares held in uncertificated form, withdrawals can also be effected in the manner set out in paragraph 3(g) of this Section B. Subject to paragraph 1(c) of this Section B, this right of withdrawal may be terminated not less than eight calendar days after the relevant day by Writtle confirming, if that be the case, that the Offer is still unconditional and complying with the other relevant requirements specified in paragraph 2(a) of this Section B. If any such confirmation is given, the first period of 14 calendar days referred to in paragraph 1(d) of this Section B will run from the date of that confirmation and compliance.
- b) If by 3.00 pm on 12 April 2016 (or such later time and/or date as the Panel may agree) the Offer has not become unconditional, an accepting Tangent Shareholder may withdraw his acceptance at any time



thereafter in the manner referred to in paragraph 3(a) of this Section B (or, in the case of Tangent Shares held in uncertificated form, in the manner set out in paragraph 3(g) of this Section B), before the earlier of:

- i. the time that the Offer becomes unconditional; and
  - ii. the final time for lodgement of acceptances which can be taken into account in accordance with paragraph 1(c) of this Section B.
- c) If an accepting Tangent Shareholder withdraws his acceptance, all documents of title and other documents lodged with the Form of Acceptance will be returned as soon as practicable following the receipt of the withdrawal (and in any event within 14 days) and the Receiving Agent will immediately give instructions for the release of securities held in escrow.
- d) If a “no extension” and/or “no increase” statement is withdrawn in accordance with paragraph 1(f) of this Section B any acceptance made by a Tangent Shareholder after the date of that statement may be withdrawn thereafter in the manner referred to in paragraph 3(a) of this Section B (or, in the case of Tangent Shares held in uncertificated form, in the manner set out in paragraph 3(g) of this Section B) for a period of eight calendar days following the date on which the notice of the withdrawal of such statement is published.
- e) Except as provided by this paragraph 3, acceptances of, and elections under, the Offer will be irrevocable.
- f) In this paragraph 3, **written notice** (including any letter of appointment, direction or authority) means notice in writing bearing the original signature(s) of the relevant accepting Tangent Shareholder or his/their agent(s) duly appointed in writing (evidence of whose appointment satisfactory to Writtle is produced with the notice) given by post or by hand (during normal working hours) to the Receiving Agent. E-mail, facsimile or other electronic transmissions or copies will not be sufficient. No notice which is post-marked in, or otherwise appears to Writtle or its agents to have been sent from, any Restricted Jurisdiction will be treated as valid. The notice must include all relevant information to enable the Receiving Agent to identify the Tangent Shares to be withdrawn and a contact telephone number for the Tangent Shareholder.
- g) In the case of Tangent Shares held in uncertificated form (i.e. CREST), if withdrawals are permitted pursuant to paragraph 3(a), 3(b) or 3(d) of this Section B, an accepting Tangent Shareholder may withdraw his acceptance through CREST by sending (or, if a CREST sponsored member, procuring that his CREST sponsor sends) an ESA instruction to settle in CREST in relation to each Electronic Acceptance to be withdrawn. Each ESA instruction must, in order for it to be valid and settle, include the following details:
- the number of Tangent Shares to be withdrawn, together with their ISIN number which is GB0005405849;
  - the member account ID of the accepting shareholder, together with his participant ID;
  - the member account ID of the Escrow Agent (this is WRITTLE) included in the relevant Electronic Acceptance, together with the Escrow Agent’s participant ID (this is 7RA11);
  - the transaction reference number of the Electronic Acceptance to be withdrawn;
  - the intended settlement date for the withdrawal;
  - the corporate action number for the Offer; and
  - input with standard delivery instruction of priority 80.
- Any such withdrawal will be conditional upon the Receiving Agent verifying that the withdrawal request is validly made. Accordingly, the Receiving Agent will on behalf of Writtle reject or accept the withdrawal by transmitting in CREST a receiving agent reject (AEAD) or receiving agent accept (AEAN) message.
- h) Any question as to the validity (including time receipt) of any notice of withdrawal will be determined by Writtle, whose determination, except as otherwise may be determined by the Panel, will be final and binding. Neither Writtle, Tangent nor the Receiving Agent nor any other person, will be under any duty to give notification of any defect in any notice of withdrawal or will incur any liability for failure to do so.

#### **4. Revised Offer**

- a) Although no such revision is envisaged, if the Offer (in its original or any previously revised form(s)) is revised (either in its terms or conditions or in the value or form of the consideration offered or otherwise), and any such revised Offer represents, on the date on which the revision is announced (on such basis as Writtle’s then financial adviser, acting reasonably and solely in its capacity as such, may consider appropriate), an improvement (or no diminution) in the value of the consideration of the Offer as so revised compared with the value of the consideration or terms previously offered, or in the overall value received by a Tangent

Shareholder (under or in consequence of the Offer or otherwise), the benefit of the revised Offer will, subject to paragraphs 4(f), 4(g) and 5 of this Section B be made available to any Tangent Shareholder who has validly accepted the Offer in its original or any previously revised form(s) and who has not validly withdrawn such acceptance (a **Previous Acceptor**). The acceptance by or on behalf of a Previous Acceptor of the Offer in its original or any previously revised form(s) shall, subject to paragraphs 4(f), 4(g) and 5 of this Section B, be deemed to be an acceptance of the Offer as so revised and will also constitute an authority to Writtle or any of its directors, authorised representatives and agents as his attorney and/or agent (**attorney**):

- i. to accept any such revised Offer on behalf of such Previous Acceptor;
- ii. if such revised Offer includes alternative forms of consideration, to make on his behalf elections for and/or accept such alternative forms of consideration on his behalf in such proportions as such attorney in his absolute discretion thinks fit; and
- iii. to execute on behalf of and in the name of such Previous Acceptor all such further documents and take such further actions (if any) as may be required to give effect to such acceptances and/or elections.

In making any such acceptance or making any such election, the attorney will take into account the nature of any previous acceptances and/or elections made by the Previous Acceptor and such other facts or matters as he may reasonably consider relevant. The attorney shall not be liable to any Tangent Shareholder or any other person in making such acceptance or in making any determination in respect of it.

- b) The powers of attorney and authorities conferred by this paragraph 4, and any acceptance of a revised offer, shall be irrevocable unless and until the Previous Acceptor withdraws his acceptances having become entitled to do so under paragraph 3 of this Section B.
- c) Writtle, the Receiving Agent and the Escrow Agent reserve the right (subject to paragraph 4(a) of this Section B) to treat an executed Form of Acceptance or TTE Instruction relating to the Offer in its original or any previously revised form(s) which is received (or dated) on or after the announcement or issue of the Offer in any revised form as a valid acceptance of the revised Offer (and, where applicable, a valid election for the alternative form(s) of consideration). Such acceptance will constitute an authority in the terms of paragraph 4(a) of this Section B, mutatis mutandis, on behalf of the relevant Tangent Shareholder.
- d) Although no revision is contemplated, if the Offer is revised, a revised offer document will be published. On the day of publication, Writtle will publish the document on its website and will announce that the document has been so published. Where necessary, a circular containing the opinion of the Independent Directors on the revised offer will be published. On the day of publication, Tangent will publish the document on its website and will announce that it has been so published.
- e) Although no revision is contemplated, if the revised offer document is published, both Writtle and Tangent will make the revised offer document readily and promptly available to the representatives of the employees of Writtle (if any) and Tangent respectively or, where there are no such representatives, to the employees themselves. Tangent will make any circular published by the Independent Directors readily and promptly available to its employee representatives or, where there are no such representatives, to the employees themselves.
- f) The deemed acceptances referred to in this paragraph 4 shall not apply and the authorities conferred by this paragraph 4 shall not be exercised by Writtle or any of their respective directors, authorised representatives and agents if, as a result thereof, the Previous Acceptor would (on such basis as Writtle's then financial adviser, acting reasonably and solely in its capacity as such may consider appropriate) thereby receive under or in consequence of the Offer and/or any alternative pursuant thereto as revised or otherwise less in aggregate consideration under the revised Offer than he would have received in aggregate consideration as a result of acceptance of the Offer in the form in which it was originally accepted by him or on his behalf, having regard to any previous acceptance or election originally made by him, unless the Previous Acceptor has previously otherwise agreed in writing.
- g) The deemed acceptances referred to in this paragraph 4 will not apply, and the authorities conferred by this paragraph will be ineffective, to the extent that a Previous Acceptor:
  - i. in respect of Tangent Shares in certificated form, lodged with the Receiving Agent in the manner specified in paragraph 3(a) of this Section B, within 14 calendar days of the publication of the document pursuant to which the revision of the Offer is made available to Tangent Shareholders, a Form of Acceptance or some other form issued by or on behalf of Writtle in which the Tangent Shareholder validly elects to receive the consideration receivable by him under such revised Offer in some other manner than that set out in his original acceptance; or

ii. in respect of Tangent Shares held in uncertificated form, sends (or, if a CREST sponsored member, procures that his CREST sponsor sends) an ESA instruction to settle in CREST in relation to each Electronic Acceptance in respect of which an election is to be varied. Each ESA instruction must, in order for it to be valid and settle, include the following details:

- the number of Tangent Shares in respect of which the changed election is made, together with their ISIN number which is GB0005405849;
- the member account ID of the Previous Acceptor, together with his participant ID;
- the member account ID of the Escrow Agent (this is WRITTLE) included in the relevant Electronic Acceptance, together with the Escrow Agent's participant ID (this is 7RA11);
- the transaction reference number of the Electronic Acceptance in respect of which the election is to be changed;
- the intended settlement date for the changed election;
- the corporate action number for the Offer,

and, in order that the desired change of election can be effected, must include:

- the member account ID of the Escrow Agent relevant to the new election; and
- input with standard delivery instruction of priority 80.

Any such change of election will be conditional upon the Receiving Agent verifying that the request is validly made. Accordingly, the Receiving Agent will on behalf of Writtle reject or accept the requested change of election by transmitting in CREST a receiving agent reject (AEAD) or receiving agent accept (AEAN) message.

## 5. Overseas shareholders

- (a) The making of the Offer in, or to certain persons who are resident in, or citizens or nationals of, jurisdictions outside the United Kingdom (“**overseas shareholders**”) or to agents, nominees, custodians or trustees for such persons, may be prohibited or affected by the laws of the relevant jurisdictions. Such shareholders should inform themselves about, and observe, any applicable legal requirements. It is the responsibility of any overseas shareholder wishing to accept the Offer to satisfy himself as to the full observance of the laws of the relevant jurisdiction in connection with the Offer, including the obtaining of any governmental, exchange control or other consents which may be required and the compliance with other necessary formalities needing to be observed and the payment of any issue, transfer or other taxes or duties or other requisite payments due in that jurisdiction. Any such overseas shareholder will be responsible for the payment of any issue, transfer or other taxes due in that jurisdiction of whomsoever payable and Writtle (and any person acting on its behalf) shall be fully indemnified and held harmless by such overseas shareholder for any such issue, transfer or other taxes as such person may be required to pay. If you are an overseas shareholder and you are in doubt about your position, you should consult your professional adviser in the relevant jurisdiction.
- (b) The Offer is not being made, directly or indirectly, in or into or by use of the mails of, or by any other means or instrumentality of interstate or foreign commerce of, or any facilities of a national securities exchange, any Restricted Jurisdiction and the Offer cannot be accepted by any such use, means or instrumentality or otherwise from any Restricted Jurisdiction. Such means or instrumentalities include, but are not limited to, facsimile transmission, telex, telephone and internet.
- (c) Copies of this document, the Form of Acceptance and any related offer document(s) are not, and must not be, mailed or otherwise distributed or sent in or into any Restricted Jurisdiction including to Tangent Shareholders or persons with information rights or participants in Tangent Share Schemes with registered addresses in any Restricted Jurisdiction or to persons whom Writtle knows to be agents, nominees, custodians or trustees holding Tangent Shares for such persons. Persons receiving such documents (including, without limitation, agents, nominees, custodians and trustees) must not distribute, send or mail them in, into or from any Restricted Jurisdiction or use any such mails or any such means, instrumentality or facility for any purpose, directly or indirectly, in connection with the Offer, and doing so may render invalid any related purported acceptance of the Offer. Persons wishing to accept the Offer must not use the mails of any Restricted Jurisdiction or any such means, instrumentality or facility for any purpose directly or indirectly related to acceptance of the Offer. All Tangent Shareholders (including nominees, trustees and custodians) who have a contractual or legal obligation, or may otherwise intend, to forward this document, the Form of Acceptance or any related document, should read further the details in this regard which are contained in this

paragraph 5 of Section B and in Section C and Section D of this Part III before taking any action. Envelopes containing the Form of Acceptance or other documents relating to the Offer must not be postmarked in or otherwise despatched from any Restricted Jurisdiction and all acceptors must provide addresses outside Restricted Jurisdictions for the receipt of the consideration to which they are entitled under the Offer and which is despatched by post or for the return of the Form of Acceptance and (in relation to Tangent Shares in certificated form) any Tangent share certificate(s) and/or other document(s) of title.

- (d) Subject as provided below, a Tangent Shareholder will be deemed not to have accepted the Offer if:
- i. he puts “NO” in Box 3 of the Form of Acceptance and thereby does not make the representations and warranties set out in paragraph (c) of Section C of this Part III;
  - ii. he completes Box 4 of the Form of Acceptance with an address in any Restricted Jurisdiction or has a registered address in any Restricted Jurisdiction and in either case he does not insert in Box 4 of the Form of Acceptance the name and address of a person or agent outside a Restricted Jurisdiction to whom he wishes the consideration to which he is entitled under the Offer be sent, subject to the provisions of this paragraph and applicable laws;
  - iii. he inserts in Box A of the Form of Acceptance a telephone number in a Restricted Jurisdiction for use in the event of queries;
  - iv. a Form of Acceptance received from him is received in an envelope postmarked in, or otherwise appears to Writtle or its agents to have been sent from, any Restricted Jurisdiction; or
  - v. he makes a Restricted Escrow Transfer pursuant to paragraph 5(h) of this Section B unless he also makes a related Restricted ESA Instruction which is accepted by the Receiving Agent.

Writtle reserves the right, in its sole discretion, to investigate, in relation to any acceptance, whether the representations and warranties set out in paragraph (c) of Section C (or, as the case may be, paragraph (b) of Section D) of this Part III could have been truthfully given by the relevant Tangent Shareholder and, if such investigation is made and as a result Writtle determines that such representations and warranties could not have been so given, such acceptance may be rejected as invalid.

- (e) If, notwithstanding the restrictions described above, any person (including, without limitation, agents, nominees, custodians and trustees) whether pursuant to a contractual or legal obligation or otherwise forwards this document, the Form of Acceptance or any related offer document in, into or from any Restricted Jurisdiction or uses the mails or any means or instrumentality (including, without limitation, facsimile transmission, e-mail, telex and telephone) of interstate or foreign commerce of, or any facilities of a national securities exchange of, any Restricted Jurisdiction in connection with such forwarding, such person should:
- i. inform the recipient of such fact;
  - ii. explain to the recipient that such action may invalidate any purported acceptance by the recipient; and
  - iii. draw the attention of the recipient to this paragraph 5.
- (f) Notwithstanding anything to the contrary contained in this document or the Form of Acceptance, Writtle may in its sole and absolute discretion make the Offer (with or without giving effect to the foregoing paragraphs of this paragraph 5) in any Restricted Jurisdiction pursuant to an exemption under applicable law in a Restricted Jurisdiction or if Writtle is satisfied in that particular case that to do so would not constitute a breach of any securities or other relevant legislation of any Restricted Jurisdiction, and in this connection the provisions of paragraph (c) of Section C and paragraph (b) of Section D of this Part III will be varied accordingly.
- (g) The provisions of this paragraph 5 supersede any terms of the Offer inconsistent with them. The provisions of this paragraph 5 and/or any other terms of the Offer relating to overseas shareholders may be waived, varied or modified as regards specific Tangent Shareholder(s) or on a general basis by Writtle in its absolute discretion.
- (h) If a holder of Tangent Shares held in uncertificated form is unable to give the warranty set out in paragraph (b) of Section D of this Part III, but nevertheless can provide evidence satisfactory to Writtle that he is able to accept the Offer in compliance with all relevant legal and regulatory requirements, he may only purport to accept the Offer by sending (or if a CREST sponsored member, procuring that his CREST sponsor sends) both: (i) a TTE Instruction to a designated escrow balance detailed below (a “**Restricted Escrow Transfer**”); and (ii) one or more valid ESA instructions (a “**Restricted ESA Instruction**”) which specify the form of

consideration which he wishes to receive (consistent with the alternatives offered under the Offer). Such purported acceptance will not be treated as a valid acceptance unless both the Restricted Escrow Transfer and the Restricted ESA Instruction(s) settle in CREST and Writtle decides, in its absolute discretion, to exercise its right described in paragraph 5(g) of this Section B to waive, vary or modify the terms of the Offer relating to overseas shareholders, to the extent required to permit such acceptance to be made, in each case during the acceptance period set out in paragraph 1 of this Section B. If Writtle accordingly decides to permit such acceptance to be made, the Receiving Agent will on behalf of Writtle accept the purported acceptance as an Electronic Acceptance on the terms of this document (as so waived, varied or modified) by transmitting in CREST a receiving agent accept (AEAN) message. Otherwise, the Receiving Agent will on behalf of Writtle reject the purported acceptance by transmitting in CREST a receiving agent reject (AEAD) message.

Each Restricted Escrow Transfer must, in order for it to be valid and settle, include the following details

- the ISIN number for the Tangent Shares (this is GB0005405849);
- the number of Tangent Shares in respect of which the Offer is to be accepted;
- the member account ID and participant ID of the Tangent Shareholder;
- the participant ID of the Escrow Agent (this is 7RA11) and its member account ID specific to a Restricted Escrow Transfer (this is RESTRICT);
- the intended settlement date;
- the corporate action reference number for the Offer which is allocated by Euroclear and can be found by viewing the relevant corporate action details in CREST;
- input standard delivery instruction of priority 80; and
- contact name and telephone number to be inserted in the shared note field.

Each Restricted ESA instruction must, in order for it to be valid and settle, include the following details:

- the ISIN number for the Tangent Shares (this is GB0005405849);
- the number of Tangent Shares relevant to that Restricted ESA Instruction;
- the member account ID and participant ID of the accepting Tangent Shareholder;
- the participant ID of the Escrow Agent. This is 7RA11;
- the member account ID of the Escrow Agent set out in the Restricted Escrow Transfer;
- the participant ID and the member account ID of the Escrow Agent relevant to the form of consideration required (details of which are set out in the letter from Writtle contained in this document);
- the transaction reference number of the Restricted Escrow Transfer to which the Restricted ESA Instruction relates;
- the intended settlement date;
- the corporate action number for the Offer which is allocated by Euroclear and can be found by viewing the relevant corporate action details in CREST; and
- input standard delivery instruction priority of 80.

## **6. General**

- a) Writtle reserves the right (subject to the requirements of the Takeover Code and the Panel) to waive all or any of the Conditions in paragraph 1 of Section A of this Part III, other than the Acceptance Condition, in whole or in part, at its absolute discretion.
- b) Writtle shall be under no obligation to waive or treat as fulfilled any of the Conditions in paragraph 1 of Section A of this Part III by a date earlier than the latest date specified below for the fulfilment of them notwithstanding that the other Conditions may at such earlier date have been waived or fulfilled and that there are at such earlier date no circumstances indicating that any of such Conditions may not be capable of fulfilment.
- c) Each of the Conditions shall be regarded as a separate Condition and shall not be limited by reference to any other Condition.

- d) The Offer will lapse unless all Conditions have been fulfilled or (if capable of waiver) waived, or, where appropriate, determined by Writtle to have been or continue to be satisfied by midnight (London time) on the date which is 21 days after the later of the First Closing Date and the date on which the Offer becomes or is declared unconditional (or such later date (if any) as Writtle and Tangent may, with the consent of the Panel, agree).
- e) If Writtle is required by the Panel to make an offer for any Tangent Shares under a mandatory offer for Tangent Shares under Rule 9 of the Takeover Code, Writtle may make such alterations to the above Conditions as are necessary to comply with the provisions of that rule.
- f) The Tangent Shares will be acquired by Writtle fully paid and free from all liens, charges, equitable interests, rights of pre-emption and encumbrances and any other third-party rights of any nature whatsoever and together with all rights attaching to them, including, without limitation, voting rights and the right to receive and retain, in full, all dividends and other distributions (if any) declared, made or paid, or any other return of capital (whether by way of reduction of share capital or share premium account or otherwise) made on or after 29 February 2016. Accordingly, insofar as a dividend and/or distribution and/or a return of capital is proposed, declared, made, paid or payable by Tangent in respect of a Tangent Share on or after 29 February 2016, Writtle reserves the right to reduce by the amount of the dividend and/or distribution and/or return of capital, the price payable under the Offer in respect of a Tangent Share, except insofar as the Tangent Share is or will be transferred on a basis which entitles Writtle alone to receive the dividend and/or distribution and/or return of capital but if that reduction in price has not been effected, the person to whom the price payable under the Offer is paid in respect of that Tangent Share, will be obliged to account to Writtle for the amount of such dividend and/or distribution and/or return of capital.
- g) Under Rule 13.5 of the Takeover Code, Writtle may not invoke a condition to the Offer so as to cause the Offer not to proceed, to lapse or to be withdrawn unless the circumstances which give rise to the right to invoke the condition are of material significance to Writtle in the context of the Offer. The determination of whether or not such a condition can be invoked would be determined by the Panel. The Acceptance Condition is not subject to this provision of the Takeover Code.
- h) If the Offer lapses, it will cease to be capable of further acceptance and accepting Tangent Shareholders, and Writtle will cease to be bound by: (i) in the case of Tangent Shares held in certificated form, Forms of Acceptance; and (ii) in the case of holders of Tangent Shares held in uncertificated form, Electronic Acceptances inputted and settled, in each case submitted before the time the Offer lapses.
- i) If all Conditions are satisfied, fulfilled or, to the extent permitted, waived and sufficient acceptances are received and/or sufficient Tangent Shares are otherwise acquired, Writtle intends to exercise its rights to acquire compulsorily any outstanding Tangent Shares to which the Offer relates. Writtle intends, after the Offer becomes or is declared unconditional in all respects, and subject to (i) Writtle receiving valid acceptances in respect of Tangent Shares which, together with the Tangent Shares already owned or agreed to be acquired by Writtle before or during the Offer, represent not less than 75% of the voting rights of Tangent and (ii) any applicable requirements of the London Stock Exchange and the AIM Rules, to procure the making of an application by Tangent to the appropriate authorities for the cancellation of the listing and the admission to trading of Tangent Shares, both not less than 20 Business Days after Writtle has acquired or agreed to acquire issued share capital carrying 75% of the voting rights of Tangent.
- (k) The expression **Offer Period** when used in this document means, in relation to the Offer, the period commencing on (and including) 10 February 2016 until whichever of the following dates will be the latest:
  - i. 1.00 pm (London time) on the First Closing Date;
  - ii. the date on which the Offer lapses; and
  - iii. the date on which the Offer becomes unconditional.
- (l) Except with the consent of the Panel, or otherwise in accordance with the proposals to be made by Writtle to participants of the Tangent Share Schemes, settlement of the consideration to which any Tangent Shareholder is entitled under the Offer will be implemented in full in accordance with the terms of the Offer without regard to any lien, right of set-off, counterclaim or other analogous right to which Writtle may otherwise be, or claim to be, entitled as against such Tangent Shareholder and will be effected:
  - i. in the case of acceptances of the Offer received, complete in all respects (including the relevant transfer to escrow or (as applicable) receipt of relevant share certificate(s) and/or other documents of title or indemnities satisfactory to Writtle) by the date on which the Offer becomes or is declared unconditional in all respects, within 14 calendar days of such date; or

- ii. in the case of acceptances of the Offer received, complete in all respects, after the date on which the Offer becomes or is declared unconditional in all respects, but while it remains open for acceptance, within 14 calendar days of such receipt.

All cash payments (other than payments made by means of CREST or in accordance with the proposals to be made to participants of the Tangent Share Schemes) will be made by cheque drawn on a branch of a United Kingdom clearing bank. No consideration will be sent to an address in a Restricted Jurisdiction.

- (m) Notwithstanding the right reserved by Writtle to treat an acceptance of the Offer as valid (even though, in the case of Tangent Shares held in certificated form, the relevant Form of Acceptance is not entirely in order or not accompanied by the relevant share certificate(s) and/or other documents of title), except as otherwise agreed with the Panel:
  - i. an acceptance of the Offer will only be counted towards fulfilling the Acceptance Condition if the requirements of Note 4 and, if applicable, Note 6 on Rule 10 of the Takeover Code are satisfied in respect of it; and
  - ii. a purchase of Tangent Shares by Writtle or its nominee (or, if relevant, any person acting in concert with Writtle, or its nominee) will only be counted towards fulfilling the Acceptance Condition if the requirements of Note 5 and, if applicable, Note 6 on Rule 10 of the Takeover Code are satisfied in respect of it; and
  - iii. the Offer will not become unconditional unless the Receiving Agent has issued a certificate to Writtle or its agents stating the number of Tangent Shares in respect of which acceptances have been received which comply with subparagraph i above and the number of Tangent Shares otherwise acquired, whether before or during the Offer Period, which comply with subparagraph ii above. Writtle will procure that a copy of such certificate is sent to the Panel and to Tangent's financial advisers as soon as possible after it is issued.
- (n) For the purposes of determining whether the Acceptance Condition has been satisfied, Writtle will not be bound (unless otherwise required by the Panel) to take into account any Tangent Shares which have been issued or unconditionally allotted or which arise as the result of the exercise of subscription or conversion rights before that determination takes place unless written notice containing relevant details of the allotment, issue, subscription or conversion has been received from Tangent or its agents before that time by Writtle or the Receiving Agent on behalf of Writtle at one of the addresses specified in paragraph 3(a) of this Section B. Notification by telex or facsimile or other electronic transmissions or copies will not be sufficient.
- (o) Except with the consent of the Panel, Tangent Shares which have been borrowed by Writtle may not be counted towards fulfilling the Acceptance Condition.
- (p) The terms, provisions, instructions and authorities contained or deemed to be incorporated in the Form of Acceptance, and such further terms as may be required to comply with the applicable rules and regulations of the London Stock Exchange and the Takeover Code, constitute part of the terms of the Offer. Words and expressions defined in this document have the same meanings when used in the Form of Acceptance, unless the context otherwise requires. The provisions of this Section B shall be deemed to be incorporated into and form part of the Form of Acceptance.
- (q) All references in this document and in the Form of Acceptance to the First Closing Date will (except in paragraph 1(a) of this Section B and where the context otherwise requires) be deemed, if the expiry date of the Offer is extended, to refer to the expiry date of the Offer as so extended.
- (r) References in paragraph 5 of this Section B and in Section C and Section D of this Part III to a Tangent Shareholder will include references to the person or persons executing a Form of Acceptance or Electronic Acceptance and in the event of more than one person executing a Form of Acceptance or Electronic Acceptance, such paragraphs will apply to them jointly and severally.
- (s) The Offer is made in respect of all Tangent Shares issued and unconditionally allotted or issued before the date on which the Offer closes (or such earlier date as Writtle, subject to the rules of the Takeover Code or with the consent of the Panel, may determine). Any omission to despatch this document, the Form of Acceptance or any notice required to be despatched under the terms of the Offer to, or any failure to receive the same by, any person to whom the Offer is made, or should be made, will not invalidate the Offer in any way or create any implication that the Offer has not been made to any such person. Subject to the provisions of paragraph 5 of this Section B, the Offer is made to any Tangent Shareholder to whom this document and the Form of Acceptance or any related document may not be sent or by whom such documents may not be received, and these persons may collect these documents from the Receiving Agent at the address set out in

paragraph 3(a) of this Section B. The Offer is not being made, and will not be made, directly or indirectly, in or into or by the use of the mails of, or by any other means or instrumentality (including, without limitation, facsimile transmission, telex, telephone, internet or other forms of electronic transmission) of interstate or foreign commerce of, or by any facility of a national, state or other securities exchange of any Restricted Jurisdiction and will not be capable of acceptance by any such use, means, instrumentality or facility or from within any Restricted Jurisdiction.

- (t) Subject to the Takeover Code, and notwithstanding any other provision of this Section B, Writtle reserves the right to treat as valid in whole or in part any acceptance of the Offer received by the Receiving Agent or otherwise on behalf of Writtle which is not entirely in order or in correct form or which is not accompanied by (as applicable) the relevant document(s) or the relevant TTE Instruction or is received by it at any place or places or in any form or manner determined by either the Receiving Agent or Writtle otherwise than as set out in this document or in the Form of Acceptance. In that event, no payment of cash under the Offer will be made until after the acceptance is entirely in order and (as applicable) the relevant transfer to escrow has settled or the relevant document(s) of title or satisfactory indemnities have been received by the Receiving Agent.
- (u) No acknowledgement of receipt of any Form of Acceptance, transfer by means of CREST, communication, notice, share certificate(s) or other document(s) of title will be given by, or on behalf of, Writtle. All communications, notices, certificates, documents of title and remittances to be delivered by, or sent to or from, Tangent Shareholders (or their designated agent(s)) will be delivered by or sent to or from them (or their designated agent(s)) at their own risk.
- (v) The Offer extends to persons to whom the Offer is made or should be made to whom this document, the Form of Acceptance or any related documents may not be despatched and such persons may collect copies of these documents from the Receiving Agent at the address set out in paragraph 3(a) of this Section B.
- (w) The Offer is made at 1.00 pm on 1 March 2016 and is capable of acceptance from and after that date.
- (x) If the Offer does not become unconditional in all respects:
  - i. in respect of Tangent Shares held in certificated form, the Form of Acceptance, share certificates and/or other documents of title will be returned by post (or such other method as may be approved by the Panel) within 14 calendar days of the Offer lapsing to the person or agent whose name and address outside a Restricted Jurisdiction is set out in the relevant box in the Form of Acceptance or, if none is set out, to the first-named holder at his registered address outside a Restricted Jurisdiction (no such documents will be sent to an address in a Restricted Jurisdiction); and
  - ii. in respect of Tangent Shares held in uncertificated form, the Receiving Agent will, immediately after the lapsing of the Offer (or within such longer period as the Panel may permit, not exceeding 14 calendar days of the lapsing of the Offer), give TFE instructions to Euroclear to transfer all Tangent Shares held in escrow balances and in relation to which it is the Escrow Agent for the purposes of the Offer to the original available balances of the Tangent Shareholders concerned.
- (y) All powers of attorney, appointments of agents and authorities conferred by this Part III or in the Form of Acceptance are given by way of security for the performance of the obligations of the Tangent Shareholder concerned and are irrevocable in accordance with section 4 of the Powers of Attorney Act 1971 except in the circumstances where the donor of such power of attorney or authority or appointor is entitled to withdraw his acceptance in accordance with paragraph 3 of this Section B. and duly does so.
- (z) In relation to any acceptance of the Offer in respect of a holding of Tangent Shares held in uncertificated form, Writtle reserves the right to make such alterations, additions or modifications as may be necessary or desirable to give effect to any purported acceptance of the Offer, whether in order to comply with the facilities or requirements of CREST or otherwise, provided any such alterations, additions or modifications are consistent with the requirements of the Takeover Code or are otherwise made with the consent of the Panel.
- (aa) For the purposes of this document, the time of receipt of a TTE Instruction, an ESA instruction or an Electronic Acceptance shall be the time at which the relevant instruction settles in CREST.
- (bb) Neither Writtle nor any subsidiary of Writtle nor any person acting on behalf of any of them, shall have any liability to any person for any loss or alleged loss arising from any decision as to the treatment of acceptances of the Offer or otherwise in connection therewith.
- (cc) The Offer will be governed by the laws of England and Wales and be subject to the jurisdiction of the courts of England and Wales and to the conditions and further terms set out in this Part III. The Offer will be subject



to the applicable requirements of AIM, the UK Competition and Markets Authority, FSMA, the London Stock Exchange and the Takeover Code.

- (dd) Where the Offer is validly accepted in respect of Tangent Shares held in uncertificated form in accordance with this Part III, unless the relevant Tangent Shareholder has become the registered shareholder of the related Tangent Shares, no separate acceptance of the Offer may be made by the relevant holder of the Tangent Shares, the custodian in respect of the Tangent Shares and no person other than Writtle shall have any rights whatsoever under the Offer in respect of the Tangent Shares (save for the rights of such Tangent Shareholder under paragraph 3 of this Section B).

### Section C: Form of Acceptance

Each Tangent Shareholder by whom, or on whose behalf, any Form of Acceptance is executed irrevocably undertakes, represents, warrants and agrees to and with Writtle and the Receiving Agent (so as to bind him and his personal representatives, heirs, successors and assigns) to the following effect:

- (a) that the execution of the Form of Acceptance shall constitute:
- i. an acceptance of the Offer in respect of the number of Tangent Shares in certificated form inserted or deemed to be inserted in Box 1 of the Form of Acceptance; and
  - ii. an undertaking to execute any further documents, take any further action and give any further assurances which may be required in connection with the foregoing,

in each case on and subject to the terms and conditions set out in this document and the Form of Acceptance and that, subject only to the rights of withdrawal set out in paragraph 3 of Section B of this Part III, each such acceptance, election and undertaking shall be irrevocable.

If Box 1 is left blank or a number greater than such Tangent Shareholder's registered holding of Tangent Shares appears in Box 1, but the Form of Acceptance is signed, it will be deemed to be an acceptance by such Tangent Shareholder of the terms of the Offer in respect of the total number of Tangent Shares in certificated form registered in his name.

If the Form of Acceptance is otherwise completed incorrectly, but the Form of Acceptance is signed, it will be deemed to be an acceptance by the relevant Tangent Shareholder of the terms of the Offer in respect of the number of Tangent Shares inserted or deemed to be inserted in Box 1 of the Form of Acceptance;

- (b) that he is irrevocably and unconditionally entitled to transfer the Tangent Shares in respect of which the Form of Acceptance is completed and that the Tangent Shares in certificated form in respect of which the Offer is accepted, or is deemed to be accepted, are sold fully paid and free from all liens, charges, equitable interests, encumbrances, rights of pre-emption and any other third party rights of any nature whatsoever and together with all rights attaching to them as at the date of this document or subsequently attaching to them, including, without limitation, voting rights and the right to receive and retain in full all dividends and other distributions, if any, declared, made or paid or any other return of capital (whether by way of reduction of share capital or share premium account or otherwise) made, on or after 29 February 2016;
- (c) that unless "NO" is inserted or deemed to be inserted in Box 3 of the Form of Acceptance, such Tangent Shareholder:
- i. has not received or sent copies of this document, the Form of Acceptance or any related offer documents in, into or from any Restricted Jurisdiction or any other jurisdiction where such actions may constitute a breach of any legal or regulatory requirements of such jurisdiction;
  - ii. has not otherwise utilised in connection with the Offer, directly or indirectly, the use of the mails of or any means or instrumentality (including, without limitation, facsimile transmission, e-mail, telex and telephone) of interstate or foreign commerce, or any facilities of a national securities exchange, of any Restricted Jurisdiction;
  - iii. is accepting the Offer from outside any Restricted Jurisdiction and was outside all Restricted Jurisdictions when the Form of Acceptance was delivered and at the time of accepting the Offer, and in respect of the Tangent Shares to which the Form of Acceptance relates, is not an agent or fiduciary acting on a non-discretionary basis for a principal who has given any instructions with respect to the Offer from within any Restricted Jurisdiction;
  - iv. warrants that the Form of Acceptance and any related offer documents have not been mailed or otherwise sent in, into or from any Restricted Jurisdiction; and
  - v. if such Tangent Shareholder is a citizen, resident or national of a jurisdiction outside the United Kingdom, he has observed the laws and regulatory requirements of the relevant jurisdiction in connection with the Offer, obtained all requisite governmental, exchange control or other consents, complied with all other necessary formalities and paid any issue, transfer or other taxes or duties or other requisite payments due in any such jurisdiction in connection with such acceptance and that he has not taken or omitted to take any action that will or may result in Writtle or any other person acting in breach of the legal or regulatory requirements of any such jurisdiction in connection with the Offer or his acceptance of the Offer;

- (d) that, in relation to Tangent Shares in certificated form, the execution of the Form of Acceptance and its delivery to the Receiving Agent constitutes, subject to the Offer becoming unconditional in all respects in accordance with its terms and to the accepting Tangent Shareholder not having validly withdrawn his acceptance, the irrevocable separate appointment of each of Writtle and/or its agents as such Tangent Shareholder's attorney and/or agent (attorney), with an irrevocable instruction to the attorney to:
- i. complete and execute all or any form(s) of transfer and/or renunciation and/or other document(s) in the attorney's discretion in relation to the Tangent Shares referred to in paragraph (a)i of this Section C in favour of Writtle or as Writtle or its agents may direct;
  - ii. deliver such form(s) of transfer and/or renunciation and/or other document(s) at the attorney's discretion together with any certificate(s) and/or other document(s) of title relating to such Tangent Shares for registration within six months of the Offer becoming unconditional in all respects; and
  - iii. do all such other acts and things as may in the opinion of such attorney be necessary or expedient for the purpose of, or in connection with, the acceptance or deemed acceptance of the Offer pursuant to the Form of Acceptance and to vest in Writtle or its nominee the Tangent Shares as aforesaid;
- (e) that, in relation to Tangent Shares in certificated form, the execution of the Form of Acceptance and its delivery to the Receiving Agent constitutes, subject to the Offer becoming unconditional in all respects in accordance with its terms and to the accepting Tangent Shareholder not having validly withdrawn his acceptance, a separate and irrevocable authority and request:
- i. to Tangent or its agents to procure the registration of the transfer of those Tangent Shares pursuant to the Offer and the delivery of the share certificate(s) and/or other document(s) of title in respect thereof to Writtle or as it may direct; and
  - ii. to Writtle or its agents to procure the despatch by post (or such other method as may be approved by the Panel) of a cheque drawn on a branch of a United Kingdom clearing bank in respect of any cash consideration to which he is entitled under the Offer, at the risk of such Tangent Shareholder, to the person or agent whose name and address (outside any Restricted Jurisdiction) is set out in Box 4 of the Form of Acceptance or, if none is set out, to the first named holder at his registered address (outside any Restricted Jurisdiction);
- (f) that the execution of the Form of Acceptance and its delivery constitutes a separate authority to each of Writtle and/or its agents within the terms of Section B and Section C of this Part III;
- (g) subject to the Offer becoming unconditional in all respects or if the Panel otherwise gives its consent, and pending registration, that:
- i. Writtle or its agents be entitled to direct the exercise of any votes and any other rights and privileges (including the right to requisition the convening of a general meeting of Tangent or of any class of its shareholders) attaching to any Tangent Shares in certificated form in respect of which the Offer has been accepted, or is deemed to have been accepted, provided that such acceptance is not validly withdrawn;
  - ii. the execution of a Form of Acceptance by a Tangent Shareholder constitutes, in respect of the Tangent Shares comprised in such acceptance provided that such acceptance has not been validly withdrawn:
    - (A.) an authority to Tangent and/or its agents from such Tangent Shareholder to send any notice, warrant, document or other communication which may be required to be sent to him as a member of Tangent at its registered office or care of the Receiving Agent;
    - (B.) an irrevocable authority to Writtle and/or its agents to sign any consent to short notice on his behalf and/or attend and/or execute a form of proxy in respect of such Tangent Shares appointing any person nominated by Writtle to attend general meetings and separate class meetings of Tangent or its members (or any of them) (and any adjournments thereof) and to exercise the votes attaching to such shares on his behalf, where relevant, such votes to be cast so far as possible to satisfy any outstanding Condition of the Offer; and
    - (C.) the agreement of such Tangent Shareholder not to exercise any of such rights without the consent of Writtle and the irrevocable undertaking of such Tangent Shareholder not to appoint a proxy to attend any such general meeting or separate class meeting;

- (h) that he will deliver (or procure the delivery) to the Receiving Agent at the address referred to in paragraph 3(a) of Section B of this Part III his share certificate(s) or other document(s) of title in respect of all Tangent Shares held by him in certificated form in respect of which the Offer has been accepted or is deemed to have been accepted and not validly withdrawn, or an indemnity acceptable to Writtle in lieu thereof, as soon as possible and in any event within six months of the Offer becoming unconditional in all respects;
- (i) that, if he accepts the Offer, he will do all such acts and things as shall, in the opinion of Writtle or the Receiving Agent, be necessary or expedient to vest in Writtle or its nominee(s) or such other person as Writtle may decide the number of Tangent Shares inserted or deemed to be inserted in Box 1 of the Form of Acceptance and all such acts and things as may be necessary or expedient to enable the Receiving Agent to perform its functions for the purposes of the Offer;
- (j) that the terms and conditions of the Offer contained in this document will be incorporated and deemed to be incorporated in, and form part of, the Form of Acceptance which will be read and construed accordingly;
- (k) that he will ratify each and every act or thing which may be done or effected by Writtle, the Receiving Agent or any director of Writtle or the Receiving Agent or their respective agents or Tangent or its agents, as the case may be, in the exercise of any of his or its powers and/or authorities hereunder (and to indemnify each such person against any losses arising therefrom);
- (l) that, if any provision of Section B of this Part III or this Section C will be unenforceable or invalid or will not operate so as to afford Writtle, the Receiving Agent or any director or duly authorised representative of any of them or their respective agents the benefit of the authority expressed to be given therein, he agrees with all practicable speed to do all such acts and things and execute all such documents that may be required to enable those persons to secure the full benefits of Section B of this Part III or this Section C;
- (m) the *ejusdem generis* principle of construction shall not apply to the terms and conditions of the Offer and/or the Form of Acceptance. Accordingly, general words shall not be given a restrictive meaning by reason of their being preceded or followed by words indicating a particular class of acts, matters or things or by examples falling within the general words;
- (n) that the execution of the Form of Acceptance constitutes his submission, in relation to any dispute arising out of or in connection with the Offer and/or the Form of Acceptance and all acceptances and elections in respect thereof (including a dispute relating to any non-contractual obligations arising out of or in connection with the Offer and/or the Form of Acceptance and all acceptances and elections in respect thereof), to the exclusive jurisdiction of the courts of England and that nothing shall limit the right of Writtle to bring any action, suit or proceedings arising out of or in connection with the Offer and/or the Form of Acceptance and all acceptances and elections in respect thereof (including in relation to any non-contractual obligations arising out of or in connection with the Offer and/or the Form of Acceptance and all acceptances and elections in respect thereof) in any other court of competent jurisdiction or concurrently in more than one court of competent jurisdiction; and
- (o) the Form of Acceptance will be deemed to be delivered on the date of its execution and will take effect as a deed.

References in this Section C to a Tangent Shareholder shall include references to the person or persons executing a Form of Acceptance, and in the event of more than one person executing a Form of Acceptance, the provisions of this Section C shall apply to them jointly and to each of them.

## Section D – Electronic Acceptance

For the purposes of this Section D of this Part III, the phrase “Tangent Shares in uncertificated form comprised in the acceptance” shall mean the number of Tangent Shares which are transferred by the relevant Tangent Shareholder by Electronic Acceptance to an escrow account by means of a TTE Instruction.

Each Tangent Shareholder by whom, or on whose behalf, an Electronic Acceptance is made irrevocably undertakes, represents, warrants and agrees to Writtle and the Receiving Agent (so as to bind him and his personal representatives, heirs, successors and assigns) to the following effect:

- (a) that the Electronic Acceptance shall constitute:
- i. an acceptance of the Offer in respect of the number of Tangent Shares in uncertificated form to which the TTE Instruction relates; and
  - ii. an undertaking to execute any further documents, take any further action and give any further assurances which may be required in connection with the foregoing,
- in each case on and subject to the terms and conditions set out or referred to in this document and that, subject only to the rights of withdrawal set out in paragraph 3 of Section B of this Part III, each such acceptance, election and undertaking shall be irrevocable;
- (b) that such Tangent Shareholder:
- i. has not received or sent copies of this document, the Form of Acceptance or any related offer documents, in, into or from any Restricted Jurisdiction or any other jurisdiction where such actions may constitute a breach of any legal or regulatory requirements of such jurisdiction;
  - ii. has not otherwise utilised in connection with the Offer, directly or indirectly, the use of the mails of or any means or instrumentality (including, without limitation, facsimile transmission, telex and telephone) of interstate or foreign commerce of, or any facilities of a national securities exchange of, any Restricted Jurisdiction;
  - iii. is accepting the Offer from outside any Restricted Jurisdiction and was outside those jurisdictions at the time of the input and settlement of the relevant TTE Instruction(s) and in respect of the Tangent Shares to which an Electronic Acceptance relates, is not an agent or fiduciary acting on a non-discretionary basis for a principal who has given any instructions with respect to the Offer from within any Restricted Jurisdiction;
  - iv. no TTE Instruction has been sent from any Restricted Jurisdiction; and
  - v. if such Tangent Shareholder is a citizen, resident or national of a jurisdiction outside the United Kingdom, he has observed the laws and regulatory requirements of the relevant jurisdiction in connection with the Offer, obtained all requisite governmental, exchange control or other consents, complied with all other necessary formalities and paid any issue, transfer or other taxes or duties or other requisite payments due in any such jurisdiction in connection with such acceptance and that he has not taken or omitted to take any action that will or may result in Writtle or any other person acting in breach of the legal or regulatory requirements of any such jurisdiction in connection with the Offer or his acceptance of the Offer;
- (c) that the Electronic Acceptance constitutes, subject to the Offer becoming unconditional in all respects in accordance with its terms and to the accepting Tangent Shareholder not having validly withdrawn his acceptance, the irrevocable separate appointment of Writtle, or any of the directors of Writtle, or any person authorised by Writtle, as such Tangent Shareholder’s attorney and/or agent (attorney), with an irrevocable instruction to the attorney to do all such acts and things as may in the opinion of such attorney be necessary or expedient for the purpose of, or in connection with, the acceptance or deemed acceptance of the Offer;
- (d) that the Electronic Acceptance constitutes the irrevocable appointment of the Receiving Agent as such Tangent Shareholder’s attorney and/or agent (attorney) and an irrevocable instruction and authority to the attorney:
- i. subject to the Offer becoming unconditional in all respects in accordance with its terms and to an accepting Tangent Shareholder not having validly withdrawn his acceptance, to transfer (if Writtle so requests) to Writtle (or to such other person or persons as Writtle or its agents may direct) by means of CREST all or any of the Tangent Shares in uncertificated form which are the subject of a TTE Instruction in respect of that Electronic Acceptance; and

- ii. if the Offer does not become unconditional in all respects, to give instructions to Euroclear, immediately after the lapsing of the Offer (or within such longer period as the Panel may permit, not exceeding 14 calendar days from the lapsing of the Offer), to transfer all such Tangent Shares to the original available balance of the accepting Tangent Shareholder;
- (e) that the Electronic Acceptance constitutes, subject to the Offer becoming unconditional in all respects in accordance with its terms and to an accepting Tangent Shareholder not having validly withdrawn his acceptance, a separate and irrevocable authority and request to Writtle or its agents to procure the making of a CREST payment obligation in favour of the Tangent Shareholder's payment bank in accordance with the CREST payment arrangements in respect of any cash consideration to which such shareholder is entitled under the Offer, provided that: (i) Writtle may (if, for any reason, it wishes to do so) determine that all or any part of any such cash consideration shall be paid by cheque drawn on a branch of a United Kingdom clearing bank despatched by post; and (ii) if the Tangent Shareholder concerned is a CREST member whose registered address is in a Restricted Jurisdiction, any cash consideration to which such shareholder is entitled shall be paid by cheque drawn on a branch of a United Kingdom clearing bank despatched by post, at the risk of such shareholder, such cheques shall be despatched to the first-named holder at an address outside a Restricted Jurisdiction stipulated by such holder or as otherwise determined by Writtle;
  - (f) that the Electronic Acceptance constitutes a separate authority to Writtle or the Receiving Agent and/or their respective agents within the terms of Sections B and D of this Part III;
  - (g) subject to the Offer becoming unconditional in all respects or if the Panel otherwise gives its consent, and pending registration, that:
    - i. Writtle or its agents be entitled to direct the exercise of any votes and any other rights and privileges (including the right to requisition the convening of a general meeting of Tangent or of any class of its shareholders) attaching to any Tangent Shares represented by the Tangent Shares comprised or deemed to be comprised in the Electronic Acceptance, and in respect of which such acceptance has not been validly withdrawn; and
    - ii. an Electronic Acceptance by a Tangent Shareholder constitutes, in respect of the Tangent Shares in uncertificated form comprised in such acceptance and in respect of which such acceptance has not been validly withdrawn:
      - (A) an authority to Tangent and/or its agents from such Tangent Shareholder to send any notice, warrant, document or other communication which may be required to be sent to him as a member of Tangent (including any share certificate(s) or other document(s) of title issued as a registered office or care of the Receiving Agent);
      - (B) an irrevocable authority to any directors or managers of, or persons authorised by Writtle and/or their respective agents to sign any document and do such things as may, in the opinion of that agent and/or attorney, seem necessary or desirable in connection with the exercise of any votes or other rights or privileges attaching to the Tangent Shares represented by the Tangent Shares held by him (including, without limitation, signing any consent to short notice on his behalf and/or attending and/or executing a form of proxy in respect of such Tangent Shares represented by the Tangent Shares held in uncertificated form appointing any person nominated by Writtle to attend general meetings and separate class meetings of Tangent or its members (or any of them) (and any adjournments thereof) and to exercise the votes attaching to such shares on his behalf, where relevant, such votes to be cast so far as possible to satisfy any outstanding Condition of the Offer); and
      - (C) the agreement of such Tangent Shareholder not to exercise any of such rights without the consent of Writtle and the irrevocable undertaking of such Tangent Shareholder not to appoint a proxy to attend any such general meeting or separate class meeting;
  - (h) that if, for any reason, any Tangent Shares in respect of which a TTE Instruction has been effected in accordance with paragraph 14 of the letter from Writtle contained in Part I of this document converted to certificated form, he will (without prejudice to paragraph (g)ii(A) of this Section D) immediately deliver or procure the immediate delivery of the share certificate(s) or other document(s) of title in respect of the Tangent Shares that are so converted to the Receiving Agent at the address referred to in paragraph 3(a) of Section B of this Part III or to Writtle at its registered office or as Writtle or its agents may direct, and he shall be deemed upon conversion to undertake, represent, warrant and agree in the terms set out in Section C of this Part III in relation to such Tangent Shares without prejudice to the application of this Section D so far as Writtle deems appropriate;

- (i) that the creation of a CREST payment obligation in favour of his payment bank in accordance with the CREST payment arrangements referred to in paragraph (e) of this Section D shall, to the extent of the obligation so created, discharge in full any obligation of Writtle to pay to him the cash consideration to which he is entitled pursuant to the Offer;
- (j) that he will do all such acts and things as shall, in the reasonable opinion of Writtle be necessary or desirable to enable the Receiving Agent to perform its function as Escrow Agent for the purposes of the Offer or to vest in Writtle or its nominee(s), upon the Offer becoming unconditional in all respects and subject to the Electronic Acceptance not having been validly withdrawn, the Tangent Shares in uncertificated form comprised or deemed to be comprised in the acceptance;
- (k) that he will ratify each and every act or thing which may be done or effected by Writtle, the Escrow Agent or the Receiving Agent or any of their respective directors or agents or Tangent or its agents, as the case may be, in the exercise of any of his or its powers and/or authorities hereunder (and to indemnify each such person against any losses arising therefrom);
- (l) that, if any provision of Section B of this Part III or this Section D will be unenforceable or invalid or will not operate so as to afford Writtle, the Escrow Agent or the Receiving Agent or any director or duly authorised representative of any of them or their respective agents the benefit of the authority expressed to be given therein, he agrees with all practicable speed to do all such acts and things and execute all such documents that may be required to enable those persons to secure the full benefits of Section B of this Part III or this Section D;
- (m) the *ejusdem generis* principle of construction shall not apply to the terms and conditions of the Offer and/or the Form of Acceptance. Accordingly, general words shall not be given a restrictive meaning by reason of their being preceded or followed by words indicating a particular class of acts, matters or things or by examples falling within the general words; and
- (n) the making of an Electronic Acceptance constitutes his submission, in relation to any dispute arising out of or in connection with the Offer and/or the Electronic Acceptance and all acceptances and elections in respect thereof (including a dispute relating to any non-contractual obligations arising out of or in connection with the Offer and/or the Electronic Acceptance and all acceptances and elections in respect thereof), to the exclusive jurisdiction of the courts of England and that nothing shall limit the right of Writtle to bring any action, suit or proceedings arising out of or in connection with the Offer and/or the Electronic Acceptance and all acceptances and elections in respect thereof (including in relation to any non-contractual obligations arising out of or in connection with the Offer and/or the Electronic Acceptance and all acceptances and elections in respect thereof) in any other court of competent jurisdiction or concurrently in more than one court of competent jurisdiction.

References in this Section D to a Tangent Shareholder shall include references to the person or persons making an Electronic Acceptance.

## PART IV

### FINANCIAL INFORMATION

#### Section A: Financial information relating to the Tangent Group

The following sets out financial information in respect of the Tangent Group as required by Rule 24.3 of the Takeover Code. The documents referred to below (or parts thereof), the contents of which have previously been announced through a Regulatory Information Service, are incorporated by reference into this document pursuant to Rule 24.15 of the Code.

<b>Document</b>	<b>Website address</b>	<b>Page numbers of the information incorporated by reference</b>
Annual report and accounts of Tangent for the financial year ended 28 February 2015	<a href="http://www.tangentplc.com/static/uploads/TangentAnnualReport2015.pdf">http://www.tangentplc.com/static/uploads/TangentAnnualReport2015.pdf</a>	19-53
Annual report and accounts of Tangent for the financial year ended 28 February 2014	<a href="http://www.tangentplc.com/static/uploads/TangentAnnualReport2014.pdf">http://www.tangentplc.com/static/uploads/TangentAnnualReport2014.pdf</a>	36-69
Half-yearly financial report of Tangent for the financial period ended 31 August 2015	<a href="http://www.tangentplc.com/static/uploads/TangentInterimReport2015.pdf">http://www.tangentplc.com/static/uploads/TangentInterimReport2015.pdf</a>	3-12

The information above is available free of charge in a read only, printable format from the hyperlinks set out above.

#### Section B: Financial information relating to the Writtle Group

The following sets out financial information in respect of the Writtle Group as required by Rule 24.3 of the Takeover Code. The documents referred to below (or parts thereof), are incorporated by reference into this document pursuant to Rule 24.15 of the Code.

<b>Document</b>	<b>Website address</b>	<b>Page numbers of the information incorporated by reference</b>
Annual report and accounts of Writtle for the financial year ended 31 December 2014	<a href="http://www.writtle.com/wp-content/uploads/2015/04/28595_Writtle_AR14.pdf">http://www.writtle.com/wp-content/uploads/2015/04/28595_Writtle_AR14.pdf</a>	12-31
Annual report and accounts of Writtle for the financial year ended 31 December 2013	<a href="http://www.writtle.com/wp-content/uploads/2012/01/WRITTLE_ANNUAL_REPORT_2013.pdf">http://www.writtle.com/wp-content/uploads/2012/01/WRITTLE_ANNUAL_REPORT_2013.pdf</a>	12-31
Half-yearly financial report of Writtle for the financial period ended 30 June 2015	<a href="http://www.writtle.com/wp-content/uploads/2015/09/Writtle-IR15_AW-P5.pdf">http://www.writtle.com/wp-content/uploads/2015/09/Writtle-IR15_AW-P5.pdf</a>	3-5

The information above is available free of charge in a read only, printable format from the hyperlinks set out above.

#### Availability of hard copies

Any person who has received this document may request a hard copy of any documents or information incorporated by reference into this document. A copy of any such documents or information incorporated by reference into this document will not be provided unless requested by (in the case of documents or information relating to Tangent) contacting the Company Secretary, Tangent Communications PLC, Threeways House, 40-44 Clipstone Street, London W1W 5DW or by calling Jamie Beaumont, the Company Secretary of Tangent, on +44(0)20 7462 6101 and by (in the case of documents or information relating to Writtle) contacting the Company Secretary, Writtle Holdings Limited, 30 Park Street, London SE1 9EQ or by calling Matt Gilmore, the Company Secretary of Writtle, on +44 (0)207 842 6950.



**No incorporation of website information**

Save as set out above, neither the Tangent website, nor the content of any website accessible from hyperlinks on the Tangent website, is incorporated into, or forms part of, this document.

Save as set out above, neither the Writtle website, nor the content of any website accessible from hyperlinks on the Writtle website, is incorporated into, or forms part of, this document.

## PART V

### ADDITIONAL INFORMATION

#### 1. Responsibility

- 1.1 The directors of Writtle, whose names are set out in paragraph 2.1 below, accept responsibility for all the information contained in this document, other than information for which responsibility is taken pursuant to paragraphs 1.2 and 1.3 below. To the best of the knowledge and belief of the directors of Writtle (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.2 The Independent Directors, whose names are set out in paragraph 2.2 below, accept responsibility for the information contained in Part II of this document and for the opinions and recommendations of the Independent Directors relating to the Offer. To the best of the knowledge and belief of the Independent Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.3 The directors of Tangent, whose names are set out in paragraph 2.3 below, accept responsibility for all the information contained in this document relating to Tangent and the Tangent Group, the opinions of Tangent and the Tangent Group, the directors of Tangent and members of their immediate families, related trusts and persons connected with them. To the best of the knowledge and belief of the directors of Tangent (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

#### 2. Directors

- 2.1 The Directors of Writtle and their respective functions are:

Robert Essex	Executive Chairman
Graeme Harris	Chief Operating Officer
Gary Booker	Director
Anthony Lucas	Director
Kevin MacKenzie	Director
David Powell	Director
Richard Saysell	Director
Richard Seymour	Director
Nigel Stern	Director
Andrew Sutcliffe	Director
Richard Williams	Director
Alan Wright	Director

The registered office of Writtle, which is also the business address of each of its directors, is 30 Park Street, London SE1 9EQ. Writtle is a private company limited by shares.

- 2.2 The Independent Directors and their respective functions are:

Kevin Cameron	Executive Director
Nigel Kissack	Non-executive director

- 2.3 The Directors of Tangent and their respective functions are:

Michael Green	Non-executive Chairman
Timothy Green	Chief Executive Officer
Jamie Beaumont	Chief Financial Officer
Nicholas Green	Executive Director
Kevin Cameron	Executive Director
Nigel Kissack	Non-executive Director

The registered office of Tangent, which is also the business address of each of its directors, is Threeways House, 40-44 Clipstone Street, London W1W 5DW.

### 3. Disclosure of interests and dealings

#### *Interests in relevant Tangent securities*

- 3.1 At the close of business on the Disclosure Date, Writtle and persons acting in concert with Writtle (including, without limitation, the directors of Writtle together with their close relatives and related trusts and other Interested Persons) were interested in, or had a right to subscribe for, the following relevant Tangent securities:

<i>Name</i>	<i>Nature of interest or right</i>	<i>Number of relevant Tangent securities</i>
Writtle Holdings Limited	Beneficial interest	350,000

- 3.2 At the close of business on the Disclosure Date, the directors of Tangent (together with their close relatives and related trusts and other Interested Persons) were interested in, or had a right to subscribe for, the following relevant Tangent securities:

<i>Name</i>	<i>Nature of interest or rights</i>	<i>Number of relevant Tangent securities</i>
Michael Green	Beneficial interest	82,987,735
Timothy Green	Beneficial interest	5,272,781
Nicholas Green	Beneficial interest	3,730,770
Kevin Cameron	Beneficial interest	1,274,230
Nigel Kissack	Beneficial interest	337,744
Jamie Beaumont	Beneficial interest	250,000
Judith Green	Beneficial interest	190,000
Oliver Green	Beneficial interest	170,455
Jeff Stanton	Beneficial interest	35,000
Pauline Callan	Beneficial interest	32,424

#### *Options*

<i>Name</i>	<i>Scheme</i>	<i>Date of grant</i>	<i>Exercise price</i>	<i>Exercise period</i>	<i>Number of relevant Tangent securities</i>
Timothy Green	EMI Scheme	27/09/2005	1p	Until 31/08/18	850,978
	Unapproved Scheme	27/09/2005	1p	Until 31/08/18	649,022
	Unapproved Scheme	27/09/2005	5p	Until 31/08/18	2,500,000
	Unapproved Scheme	31/03/2009	1p	Until 31/08/18	1,728,163
	Unapproved Scheme	08/11/2010	1p	Until 31/08/18	1,018,491
	Unapproved Scheme	23/06/2011	1p	Until 31/08/18	1,350,000
Nicholas Green	EMI Scheme	27/09/2005	1p	Until 31/08/18	850,978
	Unapproved Scheme	27/09/2005	1p	Until 31/08/18	1,649,022
	Unapproved Scheme	27/09/2005	5p	Until 31/08/18	2,500,000
	Unapproved Scheme	31/03/2009	1p	Until 31/08/18	1,728,163
	Unapproved Scheme	08/11/2010	1p	Until 31/08/18	1,018,491
	Unapproved Scheme	23/06/2011	1p	Until 31/08/18	1,350,000
Kevin Cameron	EMI Scheme	07/11/2007	12.25p	Until 06/11/17	100,000
	Unapproved Scheme	28/11/2010	1p	Until 31/08/18	255,234
	Unapproved Scheme	23/06/2011	1p	Until 31/08/18	777,000

3.3 As at the Disclosure Date, Tangent held 3,636,432 Tangent Shares in treasury.

***Dealings in relevant Tangent securities***

3.4 During the Disclosure Period, Writtle and persons acting in concert with Writtle (including without limitation, the directors of Writtle together with their close relatives and related trusts and other Interested Persons) dealt in the following relevant Tangent securities:

<i>Name</i>	<i>Transaction type</i>	<i>Number of relevant Tangent securities</i>	<i>Dealing date</i>	<i>Price per relevant Tangent security</i>
Writtle Holdings Limited	Share acquisition	250,000	15/02/2016	2.675p
Writtle Holdings Limited	Share acquisition	100,000	29/02/2016	3.000p

3.5 During the Disclosure Period the directors of Tangent (together with their close relatives and related trusts and other Interested Persons) dealt in the following relevant Tangent securities:

<i>Name</i>	<i>Transaction type</i>	<i>Number of relevant Tangent securities</i>	<i>Dealing date</i>	<i>Price per relevant Tangent security</i>
Nigel Kissack	Share sale	2,428	21/01/16	1.315p
Nigel Kissack	Share acquisition	340,172	30/06/15	2.70p
Michael Green	Share acquisition	33,158,190	11/03/15	3.25p
Michael Green	Share acquisition	50,000	10/09/15	Nil
Michael Green	Share sale	50,000	10/09/15	2.625p
Jamie Beaumont	Share acquisition	250,000	30/06/15	3.00p

3.6 The following persons are interested in Writtle securities and as such, should the Offer become or be declared unconditional in all respects could have a potential direct or indirect interest of 5% or more in the equity capital of Tangent.

<i>Writtle Shareholder</i>	<i>Number of shares held in Writtle</i>	<i>% of shares held in Writtle</i>
Robert Essex, Director	1,168,784	16.69
VSS Structured Capital	870,942	12.44
ABRY Senior Equity II L.P.	870,138	12.43
Sanne Trust Co Limited	384,096	5.49
Christopher C Cahn	378,935	5.41
C Stuart Alexander	375,000	5.36

3.7 General

- Save as disclosed above, neither Writtle, the directors of Writtle nor any persons acting in concert with Writtle, nor any of their close relatives or related trusts or other Interested Persons of the directors of Writtle are interested in, or have a right to subscribe for, or hold a short position in relation to, any relevant Tangent securities, nor has any such person dealt in any relevant Tangent securities during the Disclosure Period.
- Neither Writtle nor any person acting in concert with Writtle has borrowed or lent any relevant Tangent securities (save for any borrowed shares which have been either on-lent or sold).
- Neither Tangent nor the directors of Tangent nor their Interested Persons are interested in, or have a right to subscribe for, or holds a short position in relation to, any relevant Writtle securities, nor has any such person dealt in any relevant Writtle securities during the Disclosure Period.
- Save as disclosed above, neither the directors of Tangent nor any persons acting in concert with Tangent nor any of their close relatives or related trusts or other Interested Persons are interested in, or have a right to subscribe for, or hold a short position in relation to, any relevant Tangent securities, nor has any such person dealt in any relevant Tangent securities during the Disclosure Period.

- (e) Save as disclosed above, no person acting in concert with Tangent is interested in, or has a right to subscribe for, or holds a short position in relation to, any relevant Tangent securities, nor has any such person dealt in any relevant Tangent securities during the Disclosure Period.
- (f) Neither Tangent nor any person acting in concert with Tangent has borrowed or lent any relevant Tangent securities (save for any borrowed shares which have either been on-lent or sold).

#### 4 Market quotations

The following table sets out the middle market quotations for Tangent Shares derived from the AIM Appendix to London Stock Exchange Daily Official List, for the first Business Day in each of the six months immediately before the date of this document, for 9 February 2016 (the last Business Day before the commencement of the Offer Period) and for the latest available date before the publication of this document:

<i>Relevant date</i>	<i>Tangent Share price (p)</i>
01/09/2015	2.625
01/10/2015	2.625
02/11/2015	2.375
01/12/2015	1.875
04/01/2016	1.500
01/02/2016	1.375
09/02/2016	1.375
29/02/2016	2.880

#### 5 Service contracts of Tangent directors

- 5.1 Save as disclosed below, there are no contracts of service between any director of Tangent and Tangent or any of its subsidiaries and no such contract has been entered into or amended or replaced within the six months preceding the date of this document.

##### **Executive Directors**

- 5.2 Tangent has entered into service agreements with Jamie Beaumont, Nicholas Green and Timothy Green (together with Kevin Cameron, the “**Executive Directors**”). Ravensworth Digital Services Limited (“**Ravensworth**”) (a subsidiary of Tangent) has entered into a service agreement with Kevin Cameron. None of the Executive Directors’ service agreements are for a fixed term. Details of the Executive Directors’ service agreements and salaries are as follows:

<i>Director</i>	<i>Date of Agreement</i>	<i>Notice Period – by Company</i>	<i>Notice Period – by Director</i>	<i>Annual Salary</i>
Jamie Beaumont	26 March 2015	3 months	3 months	£110,000
Kevin Cameron	14 January 2003	12 months	3 months	£110,250
Nicholas Green	26 March 2007	12 months	6 months	£163,170
Timothy Green	26 March 2007	12 months	6 months	£173,250

- 5.3 The Executive Directors are entitled to participate in Tangent’s private medical insurance scheme.
- 5.4 The Executive Directors are entitled to participate in Tangent’s stakeholder pension scheme (the “**Stakeholder Scheme**”), and are entitled to contributions from Tangent to the Stakeholder Scheme as follows:

<i>Director</i>	<i>Tangent contribution to Stakeholder Scheme</i>
Jamie Beaumont	10% of basic salary per year
Kevin Cameron	£145 per month
Nicholas Green	10% of basic salary per year
Timothy Green	10% of basic salary per year

- 5.5 The Executive Directors are entitled to participate in Tangent’s Enterprise Management Incentive (“**EMI**”) Scheme, under which EMI share options are awarded to executive directors, subject to their continued employment and the achievement of certain targets based on total shareholder return over certain periods.

- 5.6 The Executive Directors are entitled to participate in Tangent’s Unapproved Share Option Scheme, under which share options are awarded to executive directors, subject to their continued employment and the achievement of certain targets based on total shareholder return over certain periods.
- 5.7 Under the service contracts of Jamie Beaumont and Kevin Cameron, they are entitled to pay in respect of any accrued holiday outstanding at the date of termination of their contract, and Tangent may also make a discretionary payment in lieu of any unexpired period of notice of termination given by either party.
- 5.8 The service agreements of Nicholas Green and Timothy Green do not contain any provision for compensation upon early termination.

#### **Non-executive directors**

- 5.9 Tangent has entered into letters of appointment with Michael Green and Nigel Kissack (together, the “**Non-Executive Directors**”). Neither of the Non-Executive Directors’ letters of appointment is for a fixed term. Details of the Non-Executive Directors’ letters of appointment and the remuneration are as follows:

<i>Director</i>	<i>Date of Letter</i>	<i>Notice Period – by Company</i>	<i>Notice Period – by Director</i>	<i>Annual Remuneration</i>
Michael Green	29 August 2012	6 months	6 months	£30,000
Nigel Kissack	10 September 2013	6 months	6 months	£30,000

- 5.10 The letters of appointment for the Non-Executive Directors make no provision for any commission or profit sharing arrangements. Provided that notice is given in accordance with the Non-Executive Directors’ letters of appointment, the letters do not contain any provision for compensation upon early termination.

## **6 Material contracts**

- 6.1 Neither Writtle nor any of its subsidiaries has entered into any material contract outside the ordinary course of business since 9 February 2014 (the date which is two years before the commencement of the Offer Period) other than the financing documents described in paragraph 8 of this Part V.
- 6.2 Neither Tangent nor any of its subsidiaries has entered into any material contract outside the ordinary course of business since 9 February 2014 (the date which is two years before the commencement of the Offer Period).

## **7 Taxation**

- 7.1 The following statements are intended to apply only as a general guide to certain UK tax considerations, and are based on current UK tax law and current published practice of HMRC, both of which are subject to change at any time, possibly with retrospective effect. They relate only to certain limited aspects of the UK taxation treatment of Tangent Shareholders who (a) for UK tax purposes are resident in the UK (except to the extent that the position of non-UK resident shareholders is expressly referred to) and, in the case of individuals, domiciled in the UK, (b) who hold their Tangent Shares as investments (other than under an individual savings account or a self-invested personal pension) and (c) who are the beneficial owners of both their Tangent Shares and any dividends paid on them. The statements may not apply to certain classes of Tangent Shareholders such as (but not limited to) persons treated as acquiring their Tangent Shares under the Tangent Share Schemes or otherwise in connection with an office or employment, or dealers in securities, persons holding their Tangent Shares in the course of a trade, persons subject to UK tax on the remittance basis, insurance companies and collective investment schemes.
- 7.2 The summary below does not constitute tax or legal advice and Tangent Shareholders who are in any doubt about their taxation position, or who are resident or otherwise subject to taxation in a jurisdiction outside the United Kingdom, should consult their own professional advisers immediately.
- 7.3 Capital Gains Tax
- (a) Tangent Shareholders selling their Tangent Shares pursuant to the Offer will be disposing of them for the purposes of UK taxation of chargeable gains. A disposal or deemed disposal of ordinary shares by a Tangent Shareholder who is resident in the UK for tax purposes may, depending on that person’s circumstances and subject to any available exemptions and reliefs (such as the annual exempt amount for individuals and indexation allowance for corporate shareholders), give rise to a chargeable gain or an allowable loss for the purposes of UK taxation of capital gains.

### *Individuals*

- (b) Subject to available reliefs and allowances, gains arising on a disposal of Tangent Shares to an individual Tangent Shareholder who is resident in the UK for tax purposes will be taxed at the rate of 18%, except to the extent that the gain, when it is added to the shareholder's other taxable income and gains in the relevant tax year, exceeds the basic income tax rate limit (£31,785 for the tax year ending 5 April 2016), in which case it will be taxed at the rate of 28%.
- (c) The capital gains tax annual exemption (£11,100 for the tax year ending 5 April 2016) may be available to an individual Tangent Shareholder to offset against chargeable gains realised on the disposal of the shareholder's Tangent Shares.

### *Corporation Tax Payers*

- (d) A gain on the disposal or deemed disposal of Tangent Shares by a Tangent Shareholder within the charge to UK corporation tax will form part of the shareholder's profits chargeable to corporation tax (the rate of which is currently 20%). For such shareholders indexation allowance may be available in respect of the full period of ownership of the Tangent Shares to reduce any chargeable gain arising (but not to create or increase any allowable loss).

### *Overseas Shareholders and Temporary Non-residents*

- (e) Subject to the paragraph below (dealing with temporary non-residents) Tangent Shareholders who are not resident in the UK for UK tax purposes will not generally be subject to UK tax on chargeable gains, unless they carry on a trade, profession or vocation in the UK through a branch or agency or (in the case of a company) permanent establishment and the Tangent Shares disposed of are used or held for the purposes of that branch, agency or permanent establishment.
- (f) A Tangent Shareholder who is an individual, who has ceased to be resident for tax purposes in the UK for a period of less than five years and who disposes of Tangent Shares during that period may be liable to UK taxation on capital gains (subject to any available exemption or relief). If applicable, the tax charge will arise in the tax year that the individual returns to the UK. Special rules apply to persons who are subject to tax on a "split-year" basis, who should seek specific professional advice if they are in any doubt about their position.

## **8. Financing**

The Offer will be financed from a combination of existing cash resources of Writtle, a debt facility from Barclays Bank PLC and loans from two shareholders of Writtle.

Writtle will finance £2.750 million out of its existing cash resources.

Barclays Bank PLC has made available a revolving credit facility of £4.5 million to Writtle to finance the Offer. Each loan is repayable at the end of the applicable interest period unless rolled over, with the final repayment date of the facility being 10 September 2017. The facility carries an interest rate of between 1.75% and 2.25% over LIBOR (which increases by 1% in the event of non-payment of any amount) and non-utilisation fees of between 0.79% and 1.01% are payable quarterly in arrears. The facility contains representations, warranties and covenants customary for facilities of this type, as well as customary events of default, and is secured over certain assets of the Writtle Group. Under the terms of the facility, Writtle is required to reduce the amount of the facility drawn to £3,000,000 to reduce the gross leverage back down below 2.5x, by the date falling ten Business Days after completion of the Offer. Failure to comply with this condition would result in an event of default under the loan.

Two shareholders of Writtle have made available loans of £1.5 million in aggregate to Writtle to finance the Offer.

Robert Essex has made available a facility of £500,000, repayable by 31 December 2017 and carrying an interest rate of 5% over the base rate of the Bank of England from time to time. An arrangement fee of £5,000 is payable on drawdown of the loan. The loan permits prepayment of outstanding amounts at any time and contains events of default in respect of insolvency and non-payment only. The loan is unsecured.

North Peak Limited has made available a facility of £1 million, repayable within nine months of drawdown and carrying an interest rate of 12% (which increases by 8% if an event of default occurs). An arrangement fee of £10,000 is payable on drawdown of the loan and Writtle is required to pay the legal fees of the lender. The loan permits prepayment of outstanding amounts in multiples of £250,000 on five Business Days'

notice and contains representations, warranties and covenants customary for facilities of this type, as well as customary events of default. The loan is unsecured.

BDO LLP (“BDO”), which is acting as financial adviser to Writtle, is satisfied that sufficient resources are available to Writtle to enable it to satisfy, in full, the cash consideration payable to Tangent Shareholders under the Offer.

## **9. Financial effects of acceptance of the Offer**

Writtle expects the acquisition of Tangent will enhance its earnings and assets net of liabilities.

No change is envisaged in the continued employment of Writtle’s employees and management, or fixed assets or location of Writtle’s place of business as a consequence of the Offer.

## **10. Concert Parties**

10.1 The person acting in concert with Writtle is:

BDO LLP, a limited liability partnership registered in England and Wales under number OC305127 and having its registered office at 55 Baker Street, London, W1U 7EU.

10.2 The persons acting in concert with Tangent are:

- (a) Canaccord Genuity Limited, a private limited company incorporated in England and Wales with registered number 01774003 and having its registered office at 88 Wood Street, London EC2V 7QR; and
- (b) Stockdale Securities Limited, a private limited company incorporated in England and Wales with registered number 00762818 and having its registered office at Beaufort House, 15 St Botolph Street, London EC3A 7BB.

## **11 National law and competent courts**

Contracts concluded between Writtle and holders of Tangent Shares as a result of the Offer shall be governed by and construed in accordance with English law. The English courts shall have exclusive jurisdiction for determining any matter which may arise under or in connection with any such contract.

## **12 General**

12.1 BDO has given and not withdrawn its written consent to the issue of this document with the references to its name in the form and context in which they are included.

12.2 Stockdale has given and not withdrawn its written consent to the issue of this document with the references to its name in the form and context in which they are included.

12.3 Save as disclosed elsewhere in this document, no agreement, arrangement or understanding (including any compensation arrangement) exists between Writtle or any party acting in concert with Writtle and any of the directors, recent directors, shareholders or recent shareholders of Tangent or any person interested or recently interested in Tangent Shares, having any connection with or dependence on the Offer.

12.4 There are no current ratings or outlooks publicly accorded to Tangent or Writtle by ratings agencies.

12.5 There is no agreement, arrangement or understanding under which any securities acquired pursuant to the Offer will be transferred to any other person.

12.6 Neither:

- (a) Writtle, nor any person acting in concert with Writtle; nor
- (b) Tangent, nor any person acting in concert with Tangent;

has any arrangement (including any indemnity or option arrangement), agreement or understanding, formal or informal, of whatever nature relating to relevant Tangent securities or relevant Writtle securities, which may be an inducement to deal or refrain from dealing, with any other person.

12.7 So far as the directors of Tangent are aware, and save as disclosed in this document, there has been no significant change in the financial or trading position of Tangent since 31 August 2015 (the date to which its last interim financial information was prepared).



12.8 The financial information on Tangent contained in this document does not constitute statutory accounts within the meaning of section 434 of the Companies Act. The statutory accounts of Tangent for the financial year ended 28 February 2015 and for the financial year ended 28 February 2014 have been delivered to the Registrar of Companies for England and Wales. Tangent's auditors have made a report under section 495 of the Companies Act on those statutory accounts that was not qualified within the meaning of section 539 of the Companies Act and did not contain any statements made under section 498(2) or (3) of the Companies Act.

12.9 The financial information on Writtle contained in this document does not constitute statutory accounts within the meaning of section 434 of the Companies Act. The statutory accounts of Writtle for the financial year ended 31 December 2014 and for the financial year ended 31 December 2013 have been delivered to the Registrar of Companies for England and Wales. Writtle's auditors have made a report under section 495 of the Companies Act on those statutory accounts that was not qualified within the meaning of section 539 of the Companies Act and did not contain any statements made under section 498(2) or (3) of the Companies Act.

12.10 The aggregate fees and expenses expected to be incurred by Writtle in connection with the Offer are approximately £165,000 - £315,000 (excluding VAT). The following are estimates expected to comprise the aggregate figure:

Financial advice	£25,000 upon posting of this document and additional £150,000 upon Offer becoming or being declared wholly unconditional
Legal advice	approximately £110,000
Financing arrangements	£15,000
Other costs and expenses	£15,000

12.11 The aggregate fees and expenses expected to be incurred by Tangent in connection with the Offer are approximately £80,000 (excluding VAT). The following are estimates expected to comprise the aggregate figure:

Financial and corporate broking advice	approximately £40,000*
Legal advice	approximately £40,000*

\*These fees are over and above the financial and corporate broking fees of £100,000 and legal fees of £75,000 from the Bidco Offer (in each case excluding any applicable VAT and disclosures).

### 13. Documents available for inspection

Copies of the following documents are available on [www.writtle.com](http://www.writtle.com) for Writtle and on <http://tangentplc.com> for Tangent while the Offer remains open for acceptance:

- a) the articles of association of Writtle;
- b) the articles of association of Tangent;
- c) the confidentiality agreement and the memorandum relating to the Tangent Share Schemes referred to in paragraph 9 of Part I of this document;
- d) the published audited consolidated accounts of Tangent for the two financial years ended 28 February 2014 and 28 February 2015. These accounts have been incorporated into this document by reference to Tangent's website in accordance with Rule 24.15 of the Takeover Code;
- e) the half-yearly financial report of Tangent for the 6 months ended 31 August 2015. The half-yearly financial report has been incorporated into this document by reference to Tangent's website in accordance with Rule 24.15 of the Takeover Code;
- f) the published audited consolidated accounts of Writtle for the two financial years ended 31 December 2013 and 31 December 2014. These accounts have been incorporated into this document by reference to Writtle's website in accordance with Rule 24.15 of the Takeover Code;
- g) the half-yearly financial report of Writtle for the 6 months ended 30 June 2015. The half-yearly financial report has been incorporated into this document by reference to Writtle's website in accordance with Rule 24.15 of the Takeover Code;

- h) the letters of consent referred to in paragraphs 12.1 and 12.2 of this Part V;
- i) the financing documents referred to in paragraph 8 of this Part V; and
- j) this offer document and the Form of Acceptance.

## PART VI

### SOURCES OF INFORMATION AND BASES OF CALCULATIONS

In this document, unless otherwise stated, or the context otherwise requires, the following basis and sources have been used

- a) The financial information on Tangent is extracted (without material adjustment) from Tangent's Annual Report and Accounts for the financial year ended 28 February 2015 and the unaudited interim financial statements of Tangent for the six months ended 31 August 2015.
- b) Unless stated otherwise, financial information relating to the Writtle Group has been extracted or derived (without any adjustment) from the audited financial statements of Writtle for the year ended 31 December 2014.
- c) The value of the Offer is calculated on the basis of there being 277,793,419 Tangent Shares currently in issue (which excludes treasury shares).
- d) The unissued share capital of Tangent assumes a maximum of 16,735,841 Tangent Shares which will be the result of the exercise of options and/or settlement of phantom awards in respect of or referable to Tangent Shares under the Tangent Share Option Schemes which have an exercise price of less than the Offer Price of 3.0 pence per Tangent Share and the issue of Tangent Shares in respect of awards under the Tangent Share Incentive Plan.
- e) All percentages of voting rights, share capital and relevant Tangent securities are calculated by reference to the relevant percentage held and in issue outside treasury.
- f) All Closing Prices for Tangent Shares have been derived from the AIM Appendix to the London Stock Exchange Daily Official List.
- g) All references to time in this document are to London, UK, time unless otherwise stated.

## PART VII

### DEFINITIONS

In this document:

The following terms have the meanings given to them in the Takeover Code: “acting in concert”, “connected adviser”, “dealing” (and “dealt” shall be construed accordingly), “derivative”, “exempt fund manager”, “exempt principal trader”, “interests in securities” (and reference to a person having an interest in securities shall be construed accordingly).

<b>Acceptance Condition</b>	means the Condition as to acceptances set out in paragraph 1.1 of Section A of Part III of this document.
<b>AIM</b>	means AIM, a market of the London Stock Exchange.
<b>AIM Rules</b>	means the AIM Rules for Companies as published by the London Stock Exchange.
<b>arrangement</b>	includes any indemnity or option arrangements, and any agreement or understanding, formal or informal, of whatever nature, relating to relevant Tangent securities or relevant Writtle securities which may be an inducement to deal or refrain from dealing.
<b>Bidco</b>	means Tangent Holdings UK Limited (company registration number 09976997).
<b>Bidco Offer</b>	means the offer for the entire issued and to be issued share capital of Tangent at 2.25 pence per share made by Bidco set out in the Bidco Offer Document.
<b>Bidco Offer Document</b>	means the offer document published in connection with the Bidco Offer on 12 February 2016.
<b>Bidco Rule 2.7 announcement</b>	means the Rule 2.7 announcement released by Bidco on 10 February 2016 in connection with the Bidco Offer.
<b>Business Day</b>	means a day (other than a Saturday, Sunday, public or bank holiday) on which banks are generally open for business in the City of London.
<b>Capita Asset Services</b>	means a trading name of Capita Registrars Limited.
<b>certificated or in certificated form</b>	means a share or other security which is not held in uncertificated form (that is not in CREST).
<b>Closing Price</b>	means the closing middle market price of a Tangent Share, as derived from the AIM Appendix of the London Stock Exchange Daily Official List.
<b>Code or Takeover Code</b>	means the City Code on Takeovers and Mergers (as amended) and as from time to time interpreted by the Panel.
<b>Companies Act</b>	means the Companies Act 2006, as amended from time to time.
<b>Conditions</b>	means the conditions to the Offer which are set out in Section A of Part III of this document.
<b>CREST</b>	means the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as defined in the CREST Regulations).
<b>CREST member</b>	means a person who has been admitted by Euroclear as a system member (as defined in the CREST Regulations).
<b>CREST participant</b>	means a person who is, in relation to CREST, a system-participant (as defined in the CREST Regulations).

<b>CREST payment</b>	shall have the meaning given in the CREST manual issued by Euroclear as amended from time to time.
<b>CREST Regulations</b>	means the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755).
<b>CREST sponsor</b>	means a CREST participant admitted to CREST as a CREST sponsor.
<b>CREST sponsored member</b>	means a CREST member admitted to CREST as a sponsored member.
<b>Directors</b>	means the directors of Writtle, whose names are set out in paragraph 2.1 of Part V of this document.
<b>Disclosed</b>	means information that has been fairly disclosed: <ul style="list-style-type: none"> <li>(a) in any public announcement made by Tangent following 31 August 2015 and before 5.00 pm on the date of the Rule 2.7 Announcement;</li> <li>(b) in the Rule 2.7 Announcement; or</li> <li>(c) in writing by Tangent to Writtle.</li> </ul>
<b>Disclosure Date</b>	means 29 February 2016 (being the latest practicable date prior to the publication of this document).
<b>Disclosure Period</b>	means the period commencing on 9 February 2015, being the date twelve months prior to the commencement of the Offer Period and ending on the Disclosure Date.
<b>Electronic Acceptance</b>	means the inputting and settling of a TTE Instruction which constitutes or is deemed to constitute an acceptance of the Offer on the terms set out in this document.
<b>ESA Instruction</b>	means an Escrow Account Adjustment Input (AESN), transaction type “ESA” (as described in the CREST manual issued by Euroclear as amended from time to time).
<b>Escrow Agent</b>	means Neville Registrars, in its capacity as an escrow agent, as described in the CREST manual issued by Euroclear as amended from time to time.
<b>Euroclear</b>	means Euroclear UK & Ireland Limited, the operator of CREST.
<b>First Closing Date</b>	means 22 March 2016.
<b>Form of Acceptance</b>	means the form of acceptance and authority accompanying this document relating to the Offer to be sent to Tangent Shareholders holding Tangent Shares in certificated form.
<b>FSMA</b>	means the Financial Services and Markets Act 2000, as amended from time to time.
<b>HMRC</b>	means Her Majesty’s Revenue and Customs.
<b>Immediate Relations</b>	means, in relation to a director, his spouse or civil partner and any child or step-child of his under the age of 18 years.
<b>Independent Directors</b>	means Kevin Cameron and Nigel Kissack.
<b>Interested Persons</b>	means in relation to a director, his Immediate Relations and other persons (including, without limit, bodies corporate) whose interests that director is taken or treated as having by virtue of the application of Part 22 of the Companies Act.
<b>London Stock Exchange member account ID</b>	means London Stock Exchange plc. means the identification code or number attached to any member account in CREST.

<b>Offer</b>	means the recommended cash offer made by Writtle to acquire all of the issued and to be issued Tangent Shares on the terms and subject to the conditions set out in this document and the Form of Acceptance (including, where the context so requires, any subsequent revision, variation, extension or renewal of such offer).
<b>Offer Period</b>	means the period from 10 February 2016 and ending on the earlier of the date upon which the Offer becomes or is declared unconditional as to acceptances and/or the date upon which the Offer lapses or is withdrawn.
<b>Offer Price</b>	means 3.0 pence per Tangent Share.
<b>Overseas Shareholders</b>	means Tangent Shareholders who are citizens, nationals, residents of or otherwise subject to a jurisdiction outside of the United Kingdom of Great Britain and Northern Ireland or their nominees, custodians or trustees.
<b>participant ID</b>	means the identification code or membership number used in CREST to identify a particular CREST member or other CREST participant.
<b>Panel</b>	means the Panel on Takeovers and Mergers.
<b>pounds, £ or pence</b>	means the lawful currency of the United Kingdom.
<b>Receiving Agent</b>	means Neville Registrars, Neville House, 18 Laurel Lane, Halesowen, B63 3DA.
<b>Regulatory Information Service or RIS</b>	means any information service authorised from time to time by the Financial Conduct Authority for the purpose of disseminating regulatory announcements.
<b>relevant Tangent securities</b>	means Tangent Shares, any other securities in the capital of Tangent which carry voting rights or which are equity share capital, and securities convertible into, rights to subscribe for, options (including traded options) in respect of and derivatives referenced to, any of the foregoing.
<b>relevant Writtle securities</b>	means any securities in the capital of Writtle which carry voting rights or which are equity share capital, and securities convertible into, rights to subscribe for, options (including traded options) in respect of and derivatives referenced to, any of the foregoing.
<b>Restricted Jurisdictions</b>	means the United States, Canada, Australia, the Republic of South Africa, Japan or any other jurisdiction where local laws or regulations may result in significant risk of civil, regulatory or criminal exposure if information concerning the Offer is sent or made available to Tangent Shareholders.
<b>Rule 2.7 Announcement</b>	means the joint announcement dated 29 February 2016 issued by Writtle and Tangent of Writtle's firm intention to make the Offer.
<b>short position</b>	means a short position (whether conditional or absolute and whether in the money or otherwise) including any short position under a derivative, any agreement to sell or any delivery obligations or right to require another person to purchase or take delivery.
<b>SIP Trustee</b>	means Capita IRG Trustees Limited (a company incorporated in England with registered number 02729260) in its capacity as trustee of the Tangent Share Incentive Plan.
<b>Stockdale</b>	means Stockdale Securities Limited.
<b>subsidiary and subsidiary undertaking</b>	shall be construed in accordance with the Companies Act.
<b>Tangent</b>	means Tangent Communications PLC (company registration number 03967805).

<b>Tangent Group</b>	means Tangent and its subsidiary undertakings from time to time.
<b>Tangent Shareholders</b>	means holders of Tangent Shares.
<b>Tangent Share Incentive Plan</b>	means the Tangent Share Incentive Plan operated by Tangent and administered by the SIP Trustee.
<b>Tangent Share Options</b>	means options or other rights to acquire Tangent Shares outstanding under the Tangent Share Option Schemes, including phantom awards to be settled in Tangent Shares.
<b>Tangent Share Option Schemes</b>	means the following share option schemes operated by Tangent: the Tangent Unapproved Share Option Scheme and the Tangent Enterprise Management Incentive (EMI) Share Option Plan.
<b>Tangent Share Schemes</b>	means the Tangent Share Option Schemes and the Tangent Share Incentive Plan.
<b>Tangent Shares</b>	means the existing unconditionally allotted or issued and fully paid (or credited as fully paid) ordinary shares of 1p each in the capital of Tangent and any such further shares which are unconditionally allotted or issued fully paid while the Offer remains open for acceptance or, subject to the provisions of the Takeover Code, by such earlier date as Writtle may determine.
<b>TFE Instruction</b>	means a transfer from escrow instruction (as defined in the CREST manual issued by Euroclear, as amended from time to time).
<b>TTE Instruction</b>	means a Transfer to Escrow instruction (as described in the CREST manual issued by Euroclear, as amended from time to time) in relation to Tangent Shares held in uncertificated form.
<b>treasury share</b>	means any share held as a treasury share as defined in section 724(5) of the Companies Act.
<b>UK or United Kingdom</b>	means the United Kingdom of Great Britain and Northern Ireland.
<b>uncertificated or in uncertificated form</b>	means a Tangent Share or other security which is for the time being recorded on the relevant register as being held in certificated form in CREST, and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST.
<b>Writtle</b>	means Writtle Holdings Limited (company registration number 05226380).
<b>Writtle Group</b>	means Writtle and its subsidiary undertakings from time to time.

