

7digital Group PLC

Company number 03958483

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("**AGM**") of 7digital Group Plc (the "**Company**") will be held at the offices of DAC Beachcroft LLP, Fetter Lane, London EC4A 1BN on Thursday 18 September 2014 at 3pm for the following purposes:

Ordinary business

To consider and, if thought fit, to pass the resolutions set out below, each of which will be proposed as an Ordinary Resolution.

1. To receive the annual accounts of the Company and the auditors' report on those accounts which are included in the Annual Report and Financial Statements, for the financial period ended 31 March 2014 (the "**Financial Year**").
2. To re-appoint Hazlewoods LLP as auditors to hold office from the conclusion of the meeting until the conclusion of the next general meeting at which accounts are laid before the Company, and to authorise the Directors to determine their remuneration.
3. To re-elect Simon Cole as a director of the Company.
4. To re-elect Christopher Dent as a director of the Company.
5. To re-elect Sir Donald Gordon Cruickshank, who was appointed since the last annual general meeting, as a director of the Company.
6. To re-elect Benjamin Charles Drury, who was appointed since the last annual general meeting, as a director of the Company.
7. To re-elect Sir Hossein Yassaie, who was appointed since the last annual general meeting, as a director of the Company.
8. To re-elect Eric Cohen, who was appointed since the last annual general meeting, as a director of the Company.
9. To approve the directors' remuneration report for the financial period ended 31 March 2014 as set out in the Annual Report and Financial Statements for that period.

Special business

To consider and, if thought fit, to pass resolutions 10 and 11 below as Special Resolutions.

10. THAT, the directors be and are hereby authorised to take all steps necessary or in the opinion of the directors, desirable, to give effect to the Escrow Agreement (as defined in the admission document from the Company to its shareholders dated 20 May 2014) ("**Admission Document**") and that in addition to any existing authority the Company has to buy back its own shares, the Company be generally and unconditionally authorised for the purposes of section 701 of the Companies Act 2006 ("**2006 Act**") to make market purchases (as defined in section 693(4) of the 2006 Act) of ordinary shares on the terms set out in the Escrow Agreement, provided that:-
 - (a) the maximum aggregate number of ordinary shares that may be purchased is 20,445,095;
 - (b) the minimum price (excluding expenses) which may be paid for each ordinary share is 0.00000489 pence;

- (c) the maximum price (excluding expenses) which may be paid for each ordinary share is £1; and
 - (d) the authority conferred by this resolution shall take effect on the date of passing this resolution and shall (unless previously revoked, renewed or varied) expire at the conclusion of the Company's next annual general meeting after the passing of this resolution or if earlier, 15 months after the date of passing this resolution, save in relation to purchases of ordinary shares pursuant to the terms of the Escrow Agreement, concluded before the expiry of this authority and which will or may be executed wholly or partly after expiry of such authority.
11. THAT, in addition to any existing authority, the Company has to buy back its own shares, the Company be generally and unconditionally authorised for the purposes of section 701 of the 2006 Act to make market purchases (as defined in section 693(4) of the 2006 Act) of any of its ordinary shares provided that:-
- (a) the maximum number of ordinary shares hereby authorised to be purchased is 16,248,951;
 - (b) the minimum price (excluding expenses) which may be paid for an ordinary share is 10p;
 - (c) the maximum price (excluding expenses) which may be paid for an ordinary share is an amount equal to 105% of the average of the middle market quotations for an ordinary share derived from the AIM section of the London Stock Exchange Daily Official List for the 5 business days immediately preceding the date on which the ordinary share is contracted to be purchased;
 - (d) the authority conferred by this resolution shall take effect on the date of passing this resolution and shall (unless previously revoked, renewed or varied) expire at the conclusion of the Company's new annual general meeting after the passing of this resolution or if earlier, 15 months after the date of passing this resolution; and
 - (e) the Company may make a contract for the purpose of ordinary shares under this authority before the expiry of this authority which would or might require to be executed wholly or partly after the expiry of such authority, and may make purchases of ordinary shares in pursuance of such a contract as if such authority had not expired.

By Order of the Board

John Christopher Dent
Director and Company Secretary

Registered office:
69 Wilson Street, London, EC2A 2BB

27 August 2014

Notes:

A. GENERAL

Entitlement to attend and vote

1. The right to attend and vote at the meeting is determined by reference to the Company's register of members. Only those members registered in the register of members of the Company at 6pm on 16 September 2014 or, in the event of any adjournment, at 6pm on the date which is two days before the day of the adjourned meeting shall be entitled to attend and vote at the meeting. Changes to the entries on the register of members after this time shall be disregarded in determining the rights of any person to attend or vote at the meeting.
2. As at the close of business on the date of this notice, the Company's issued share capital comprised 108,326,340 ordinary shares, of which 904,131 are held in Treasury, i.e. they have been bought by the Company itself in anticipation that they will be resold. Each ordinary share carries the right to one vote at a general meeting of the Company.
3. As at 31 March 2014, there were options to subscribe for 2,960,649 ordinary shares outstanding under various schemes representing approximately 2.7% of the current issued share capital of the Company, including the shares held in Treasury. If the authority sought by Resolution 11 was exercised in full (and no ordinary shares are bought back by the Company pursuant to the terms of the Escrow Agreement), the outstanding options would represent approximately 3.2% of the current issued share capital following the repurchase of shares, but including the shares currently in Treasury.

Appointment of proxies

4. If you are a member of the Company at the time set out at note 1 above, you are entitled to appoint one or more persons as proxies to exercise all or any of your rights to attend, speak and vote at the meeting. A proxy need not be a member of the Company but must attend the meeting to represent you. Details of how to appoint the Chairman of the meeting or another person as your proxy using the form of proxy are set out in the notes to the form of proxy. If you wish your proxy to speak on your behalf at the meeting, you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
5. A form of proxy is enclosed and notes for completion can be found on the form and should be read carefully before it is completed. To be valid, the form of proxy must be completed, signed (or in the case of a member which is a company, executed under its common seal or signed on its behalf by an officer of or an attorney for the company) and sent to the offices of the Company's registrars, Capita Asset Services, PXS, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU together with the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy of the same, so as to arrive no later than 3pm on 16 September 2014 (or, in the event that the meeting is adjourned, no later than 48 hours before the time of any adjourned meeting).
6. A member may appoint more than one proxy in relation to the meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him. To appoint more than one proxy, you will need to complete a separate proxy form in relation to each appointment. You may photocopy the enclosed proxy form, indicating clearly on each proxy form the name of the proxy you wish to appoint and the number of shares in respect of which the proxy is appointed. All forms must be signed and should be returned together in the same envelope. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.

Appointment of proxies by joint members

7. In the case of joint holders, where more than one joint holder purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first named being the most senior).

Changing or terminating proxy instructions

8. To change your proxy instructions simply submit a new proxy appointment using the method set out above. Note that the cut-off time for receipt of proxy appointments (see above) also applies in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.
9. In order to revoke a proxy instruction you will need to inform the Company by sending a signed (or in the case of a member which is a company, executed under its common seal or signed on its behalf by an officer of or an attorney for the company) hard copy notice clearly stating your intention to revoke your proxy appointment to the Company's registrars at the address given at note 5 above. Any revocation notice must be received no later than 3pm on 16 September 2014. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to note 10 below, your proxy appointment will remain valid.
10. The appointment of a proxy will not preclude a member from attending and voting in person at the meeting if he or she so wishes. If a member has appointed a proxy and then attends the meeting in person, the proxy appointment will be automatically terminated.
11. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting. The notes to the proxy form explain how to direct your proxy to vote on each resolution or withhold their vote.

Abstaining

12. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution.

Documents on display

13. The following documents are available for inspection by members at the registered office of the Company (except Bank Holidays) during the normal business hours and at the place of the meeting not less than 15 minutes prior to and during the meeting:
 - (a) the register of Directors' interests required to be kept under section 809 of the Act; and
 - (b) copies of the Directors' service contracts; and
 - (c) the Escrow Agreement (which will be available for inspection for the period required by section 702 of the 2006 Act).

Company's registrars

14. Capita Asset Services maintain the Company's share register.
15. Except as provided above, members who have general queries about the AGM should contact the Company's registrars' helpline on 0871 664 0300 (calls cost 10p per minute; lines are open 8.30am to 5.30pm, Monday-Friday) or (from overseas) +44 208 639 3399.
16. Members can also email the Registrar using the following email address

Attendance at AGM

17. Persons who are not Shareholders in the Company will not be admitted to the AGM unless prior arrangements are made with the Company.

B : The Resolutions

Resolutions 3-8 (inclusive)

Re-election of Directors

The Company's Articles of Association require that all members of the Board of Directors submit themselves for re-election at least every three years. Directors who have been appointed since the last annual general meeting must also submit themselves for re-election. This year since 4 of the 6 directors were appointed since the last AGM, all directors are retiring voluntarily and offering themselves for re-election. Brief biographical details about all the directors appear on page 5 of the Annual Report and Financial Statements

Resolution 10

Authority to buy back shares held in escrow

This resolution allows the Company to buy back shares held in escrow on the terms set out in the Escrow Agreement as defined in the Admission Document. It is proposed such authority will expire on the conclusion of the annual general meeting to be held in 2015 or 15 months from the date of this resolution, if earlier. This authority will be limited to the purchase of 20,445,095 ordinary shares at a minimum price (excluding expenses) of 0.00000489 pence per share and a maximum price (excluding expenses) of £1 per ordinary share.

Resolution 11

Authority to purchase Ordinary Shares

Shareholders are invited under Resolution 11 to grant authority to the Company to make market purchases of its ordinary shares. It is proposed such authority will expire on the conclusion of the annual general meeting to be held in 2015 or 15 months from the date of this resolution, if earlier. This authority will be limited to the purchase of not more than 15% of the ordinary shares currently in issue, including those in Treasury. The maximum price payable under this authority will be 105% of the average of the middle market quotations of an ordinary share for the 5 business days before the relevant purchase and the minimum price will be 10p per ordinary share. In considering whether or not to purchase ordinary shares under the market purchase authority, the directors will take into account cash resources, the effect on gearing and other investment opportunities before exercising the authority. In addition, the Company will only exercise the authority to make such a purchase in the market when the directors consider it is in the best interests of the shareholders generally to do so and it should result in an increase in earnings per ordinary share.