

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or as to the action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the under the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

If you have sold or otherwise transferred all of your Existing Ordinary Shares, please immediately forward this document, together with the accompanying Form of Proxy, to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. If you have sold only part of your holding of Existing Ordinary Shares, please contact your stockbroker, bank or other agent through whom the sale or transfer was effected immediately.

The Directors (whose names and functions appear on page 6 of this document) and the Company (whose registered office appears on page 6 of this document) accept responsibility, both collectively and individually, for the information contained in this document and compliance with the AIM Rules. To the best of the knowledge and belief of the Directors and the Company (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Existing Ordinary Shares are admitted to trading on AIM. Application will be made to the London Stock Exchange for the Placing Shares to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings in the Placing Shares will commence on 13 March 2019. The Placing Shares will, on Admission, rank *pari passu* in all respects with the Existing Ordinary Shares, and will rank in full for all dividends and other distributions declared, made or paid on Ordinary Shares after Admission.

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the United Kingdom Listing Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. The London Stock Exchange has not itself examined or approved the contents of this document. Prospective investors should read this document in its entirety.

This document contains no offer of transferable securities to the public within the meaning of section 102B of the FSMA, the Act or otherwise. Accordingly, this document does not constitute a prospectus within the meaning of section 85 of the FSMA and has not been drawn up in accordance with the Prospectus Rules or approved by the FCA or any other competent authority.

reach4entertainment enterprises plc

(Incorporated under the Companies Act 1985 and registered in England and Wales with registered number 02725009)

Proposed Placing of 250,000,000 Placing Shares at a price of 1.2 pence per Placing Share, Acquisition of Agency Press Limited and Notice of General Meeting

Your attention is drawn to the letter from the Chairman of the Company which is set out in Part 1 of this document and which contains, amongst other things, the Directors' unanimous recommendation that you vote in favour of the Resolutions to be proposed at the General Meeting.

Grant Thornton UK LLP ("Grant Thornton"), which, in the United Kingdom, is authorised and regulated by the Financial Conduct Authority, is acting as nominated adviser to the Company for the purposes of the AIM Rules in connection with the Placing and Acquisition and will not be acting for any other person (including a recipient of this document) or otherwise be responsible to any person for providing the protections afforded to clients of Grant Thornton UK LLP or for advising any other person in respect of the

proposals or any transaction, matter or arrangement referred to in this document. Grant Thornton's responsibilities as the Company's nominated adviser are owed solely to London Stock Exchange and are not owed to the Company or to any Director or to any other person in respect of his decision to acquire shares in the Company in reliance on any part of this document.

Dowgate Capital Limited ("Dowgate Capital"), which, in the United Kingdom, is authorised and regulated by the FCA, is acting as broker to the Company in connection with the Placing and will not be acting for any other person (including a recipient of this document) or otherwise be responsible to any person for providing the protections afforded to clients of Dowgate Capital Limited or for advising any other person in respect of the Placing or any transaction, matter or arrangement referred to in this document.

Apart from the responsibilities and liabilities, if any, which may be imposed on Grant Thornton UK LLP and/or Dowgate Capital Limited by the FSMA or the regulatory regime established thereunder, Grant Thornton UK LLP and Dowgate Capital Limited do not accept any responsibility whatsoever for the contents of this document, including its accuracy, completeness or verification or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company, the Ordinary Shares or the Proposals. Grant Thornton UK LLP and Dowgate Capital Limited accordingly disclaim all and any liability whether arising in tort, contract or otherwise (save as referred to above) in respect of this document or any such statement.

Notice of a General Meeting of reach4entertainment enterprises plc, to be held at the offices of reach4entertainment enterprises plc, Wellington House, 125 Strand, London WC2R 0AP at 10.00 a.m. on 15 March 2019, is set out at the end of this document.

The Form of Proxy for the General Meeting does not accompany this document. Instead you can submit a proxy vote online at www.signalshares.com. To register, you will need your Investor Code, which can be found on the letter or email dispatched to you announcing the General Meeting. Once logged on, you can click on the 'Vote Online Now' button to vote. Your Form of Proxy should be submitted as early as possible and, in any event, no later than 48 hours before the start of the meeting (excluding weekends and public holidays), or, if the General Meeting is adjourned, 48 hours before the time fixed for the adjourned meeting (excluding any part of a day that is not a working day). You may request a hard copy Form of Proxy directly from the Company's Registrars, Link Asset Services on 0871 664 0300. Calls cost 12p per minute plus your operator's network access charge. If you are outside the United Kingdom, please call +44 371 664 0300. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9.00 a.m. to 5.30 p.m., Monday to Friday, excluding public holidays in England and Wales.

Shareholders who hold their Existing Ordinary Shares in uncertificated form in CREST may alternatively use the CREST Proxy Voting Service in accordance with the procedures set out in the CREST Manual as explained in the notes accompanying the Notice of General Meeting at the end of this document. Proxies submitted via CREST must be received by the Company's agent (ID: RA10) by no later than 48 hours before the start of the meeting (excluding weekends and public holidays), or, if the General Meeting is adjourned, 48 hours before the time fixed for the adjourned meeting (excluding any part of a day that is not a working day). The appointment of a proxy using the CREST Proxy Voting Service will not preclude Shareholders from attending and voting in person at the General Meeting should they so wish.

A copy of this document is available at the Company's website <https://www.r4e.com/investor-relations/company-details/>.

IMPORTANT NOTICE

Cautionary note regarding forward-looking statements

This document includes statements that are, or may be deemed to be, “forward-looking statements”. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “plans”, “projects”, “anticipates”, “expects”, “intends”, “may”, “will”, or “should” or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include matters that are not historical facts. They appear in a number of places throughout this document and include statements regarding the Directors’ current intentions, beliefs or expectations concerning, among other things, the Group’s results of operations, financial condition, liquidity, prospects, growth, strategies and the Group’s markets.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Actual results and developments could differ materially from those expressed or implied by the forward-looking statements.

Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements in this document are based on certain factors and assumptions, including the Directors’ current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Group’s operations, results of operations, growth strategy and liquidity. Whilst the Directors consider these assumptions to be reasonable based upon information currently available, they may prove to be incorrect. Save as required by law or by the AIM Rules, the Company undertakes no obligation to publicly release the results of any revisions to any forward-looking statements in this document that may occur due to any change in the Directors’ expectations or to reflect events or circumstances after the date of this document.

Notice to overseas persons

The distribution of this document and/or the Form of Proxy in certain jurisdictions may be restricted by law and therefore persons into whose possession these documents comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

The New Ordinary Shares have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, (the “**US Securities Act**”) and may not be offered, sold or delivered in, into or from the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. Subject to certain exemptions, this document does not constitute an offer of Ordinary Shares to any person with a registered address, or who is resident in, the United States. There will be no public offer in the United States. Outside of the United States, the New Ordinary Shares are being offered in reliance on Regulation S under the US Securities Act. The New Ordinary Shares will not qualify for distribution under the relevant securities laws of Australia, Canada, the Republic of South Africa or Japan, nor has any prospectus in relation to the Placing Shares been lodged with, or registered by, the Australian Securities and Investments Commission or the Japanese Ministry of Finance. Accordingly, subject to certain exemptions, the Placing Shares may not be offered, sold, taken up, delivered or transferred in, into or from the United States, Australia, Canada, the Republic of South Africa, Japan or any other jurisdiction where to do so would constitute a breach of local securities laws or regulations (each a “**Restricted Jurisdiction**”) or to or for the account or benefit of any national, resident or citizen of a Restricted Jurisdiction. This document does not constitute an offer to issue or sell, or the solicitation of an offer to subscribe for or purchase, any Ordinary Shares to any person in a Restricted Jurisdiction and is not for distribution in, into or from a Restricted Jurisdiction.

The New Ordinary Shares have not been approved or disapproved by the US Securities and Exchange Commission, or any other securities commission or regulatory authority of the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the New Ordinary Shares nor have they approved this document or confirmed the accuracy or adequacy of the information contained in this document. Any representation to the contrary is a criminal offence in the US.

Presentation of financial information

Certain data in this document, including financial, statistical and operational information has been rounded. As a result of the rounding, the totals of data presented in this document may vary slightly from the actual arithmetical totals of such data. Percentages in tables have been rounded and, accordingly, may not add up to 100 per cent. In this document, references to “pounds sterling”, “£”, “pence” and “p” are to the lawful currency of the United Kingdom.

Presentation of market, economic and industry data

Where information contained in this document originates from a third party source, it is identified where it appears in this document together with the name of its source. Such third party information has been accurately reproduced and, so far as the Company is aware and is able to ascertain from information published by the relevant third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

No incorporation of website information

The contents of the Company’s website or any hyperlinks accessible from the Company’s website do not form part of this document and Shareholders should not rely on them.

Interpretation

Certain terms used in this document are defined and certain technical and other terms used in this document are explained at the section of this document under the heading “Definitions”.

All times referred to in this document and the Form of Proxy are, unless otherwise stated, references to London time.

All references to legislation in this document and the Form of proxy are to the legislation of England and Wales unless the contrary is indicated. Any reference to any provision of any legislation or regulation shall include any amendment, modification, re-enactment or extension thereof.

Words importing the singular shall include the plural and vice versa, and words importing the masculine gender shall include the feminine or neutral gender.

CONTENTS

	<i>Page</i>
Directors and advisers	6
Placing Statistics	7
Expected timetable of principal events	8
Definitions	9
Letter from the Chairman of reach4entertainment enterprises plc	12
Notice of General Meeting	19

DIRECTORS AND ADVISERS

Directors	Lord Michael Ian Grade of Yarmouth (<i>Chairman</i>) Sir David Michels (<i>Deputy Chairman</i>) Marc Boyan (<i>Chief Executive Officer</i>) Linzi Kristina Allen (<i>Group Finance Director</i>) Marcus Yeoman (<i>Non-Executive Director</i>) Nicholas Richard Charles Geary Lycett (<i>Non-Executive Director</i>) All of whose business address is at the Company's registered and head office
Registered and Head Office	Wellington House 125 Strand London WC2R 0AP
Company website	www.r4e.com
Nominated Adviser	Grant Thornton UK LLP 30 Finsbury Square London EC2A 1AG
Broker	Dowgate Capital Limited 15 Fetter Lane London EC4A 1BW
Legal advisers to the Company	Clintons 55 Drury Lane Covent Garden London WC2B 5RZ
Registrars	Link Asset Services The Registry 34 Beckenham Road Beckenham Kent BR3 4TU

PLACING STATISTICS

Number of Existing Ordinary Shares in issue on the date of this document	1,005,597,052
Placing Price	1.2p
Number of Consideration Shares being issued by the Company pursuant to the Acquisition	20,833,333
Number of Placing Shares being issued by the Company pursuant to the Placing	250,000,000
Total number of New Ordinary Shares	270,833,333
Enlarged Share Capital	1,276,430,385
Placing Shares as a percentage of the Enlarged Share Capital	19.6 per cent.
Consideration Shares as a percentage of the Enlarged Share Capital	1.6 per cent.
New Ordinary Shares as percentage of the Enlarged Share Capital	21.2 per cent.
Total gross proceeds of the Placing	£3 million
Estimated net proceeds of the Placing receivable by the Company	£2.7 million

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

2019¹

Publication of this document	22 February
Latest time and date for receipt of electronic votes and CREST voting instructions	10.00 a.m. on 13 March
General Meeting	10.00 a.m. on 15 March
Admission and dealings in the Placing Shares expected to commence on AIM	8.00 a.m. on 19 March
Where applicable, expected date for CREST accounts to be credited in respect of Placing Shares in uncertificated form	19 March
Admission of the Consideration Shares* expected to commence on AIM	22 March
Completion of the Acquisition	19 March
Where applicable, expected date for despatch of definitive share certificates for Placing Shares in certificated form	by 29 March

Notes:

1. Each of the above times and/or dates is subject to change at the absolute discretion of the Company, Grant Thornton and Dowgate Capital. If any of the above times and/or dates should change, the revised times and/or dates will be announced through a Regulatory Information Service.
2. All of the above times refer to London time unless otherwise stated.
3. All events listed in the above timetable following the General Meeting are conditional on the passing of the Resolutions at the General Meeting.

*the Consideration Shares solely comprise the 20,833,333 New Ordinary Shares to be issued and allotted to the seller on Completion.

DEFINITIONS

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

“Acquisition”	the proposed acquisition by the Company of the entire issued share capital of Agency Press Limited, trading as Sold Out
“Act”	the Companies Act 2006 (as amended)
“Adjusted EBITDA”	EBITDA after it has been adjusted to exclude exceptional administrative items and share-based payment charges
“Admission”	in the case of the Placing Shares, admission to trading on AIM of the Placing Shares becoming effective in accordance with Rule 6 of the AIM Rules
“AIM”	the AIM Market operated by the London Stock Exchange
“AIM Rules”	the AIM Rules for Companies published by the London Stock Exchange from time to time
“certificated form” or “in certificated form”	an Ordinary Share recorded on a company’s share register as being held in certificated form (namely, not in CREST)
“Company” or “r4e”	reach4entertainment enterprises plc, a company incorporated and registered in England and Wales under the Companies Act 1985 with registered number 02725009
“Completion”	means the completion of the sale and purchase of the whole of the issued share capital of Sold Out in accordance with the sale and purchase agreement
“Consideration Shares”	being 20,833,333 New Ordinary Shares to be issued and allotted on Completion credited as fully paid up
“CREST”	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the operator (as defined in those regulations)
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (S.I. 2001 No. 3755)
“Dealing Day”	a day on which the London Stock Exchange is open for business in London
“Deferred Consideration”	has the meaning given to it in paragraph 1 of the letter from the Chairman included in this document
“Directors” or “Board”	the directors of the Company whose names are set out on page 6 of this document, or any duly authorised committee thereof
“Dowgate Capital”	Dowgate Capital, the Company’s broker
“EBITDA”	means earnings before interest, taxes, depreciation and amortisation
“Enlarged Share Capital”	the issued Ordinary Shares immediately following Admission of the Placing Shares and Consideration Shares (assuming no further Ordinary Shares are issued (whether pursuant to the Share Option Scheme or otherwise))
“Euroclear”	Euroclear UK & Ireland Limited, the operator of CREST

“Existing Ordinary Shares”	the 1,005,597,052 Ordinary Shares in issue at the date of this document, all of which are admitted to trading on AIM
“FCA”	the UK Financial Conduct Authority
“Form of Proxy”	the form of proxy for use by Shareholders in connection with the General Meeting, which can be accessed at www.signalshares.com or in paper form from the Company’s Registrars, Link Asset Services (as set out in the Notice of General Meeting)
“FSMA”	the Financial Services and Markets Act 2000 (as amended)
“General Meeting”	the general meeting of the Company to be held at Wellington House, 125 Strand, London WC2R 0AP at 10.00 a.m. on 15 March 2019, as set out in the Notice of General Meeting
“Grant Thornton”	Grant Thornton UK LLP, the Company’s nominated adviser
“Group”	the Company, its subsidiaries and its subsidiary undertakings
“Initial Consideration”	means the amount of £3,936,599 payable in cash and £250,000 satisfied by the issue and allotment of the Consideration Shares on completion of the Acquisition
“London Stock Exchange”	London Stock Exchange plc
“Notice of General Meeting”	the notice convening the General Meeting which is set out at the end of this document
“Ordinary Shares”	ordinary shares of £0.005 each in the capital of the Company
“PDMR”	A PDMR or “person discharging managerial responsibility” is defined in MAR as a person within an issuer who is (i) a member of the administrative, management or supervisory body of that entity; or (ii) a senior executive who is not a member of any of these bodies who has regular access to insider information relating directly or indirectly to that entity and power to take managerial decisions affecting the future developments and business prospects of that entity
“Placing”	the conditional placing of the Placing Shares by Dowgate Capital, as agent on behalf of the Company, further details of which are set out in this document
“Placing Price”	the price per Placing Share as set out on page 7 of this document
“Placing Shares”	the 250,000,000 new Ordinary Shares to be issued pursuant to the Placing
“Proposals”	together, Placing, Acquisition and Admission
“Prospectus Rules”	the prospectus rules made by the FCA pursuant to section 73A of the FSMA
“Regulatory Information Service”	a service approved by the FCA for the distribution to the public of regulatory announcements and included within the list maintained on the FCA’s website
“Reported EBITDA”	means EBITDA prior to any adjustment
“Resolutions”	the resolutions set out in the Notice of General Meeting

“Share Option Scheme”	the Company’s 2016 Long Term Incentive Plan
“Shareholders”	holders of Ordinary Shares
“Sold Out”	Agency Press Limited, trading as Sold Out, a company incorporated and registered in England and Wales under the Companies Act 1985 with registered number 02636578
“UK”	the United Kingdom of Great Britain and Northern Ireland
“uncertificated” or “in uncertificated form”	an Ordinary Share recorded on a company’s share register as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST
“Working Capital”	being current assets less current liabilities, but excluding cash and debt

PART 1

LETTER FROM THE CHAIRMAN OF reach4entertainment enterprises plc

reach4entertainment enterprises plc

(Incorporated under the Companies Act 1985 and registered in England and Wales with registered number 02725009)

Directors:

Lord Michael Ian Grade of Yarmouth (*Chairman*)
Sir David Michels (*Deputy Chairman*)
Marc Boyan (*Chief Executive Officer*)
Linzi Kristina Allen (*Group Finance Director*)
Marcus Yeoman (*Non-Executive Director*)
Nicholas Richard Charles Geary Lycett (*Non-Executive Director*)

Registered office:

Wellington House
125 Strand
London
WC2R 0AP

22 February 2019

Dear Shareholder,

**Proposed Placing of 250,000,000 Placing Shares at a price of
1.2 pence per Placing Share,
Acquisition of Agency Press Limited
and
Notice of General Meeting**

1. Introduction and summary

The Company announced on 22 February 2019 that it had agreed to acquire the entire issued share capital of Sold Out, an independent full-service advertising agency which has specialised in arts and entertainment for over 25 years (the "Acquisition"). Total consideration for the Acquisition will be capped at £10 million in cash, which, in part, will be funded by way of a Placing to certain of the Company's existing Shareholders and new investors. The Company has provisionally placed 250,000,000 new Ordinary Shares at 1.2 pence per share and the Placing will raise gross proceeds for the Company of £3 million. The Board believes that the acquisition will be substantially earnings enhancing in the first full year of ownership.

The consideration for the Acquisition comprises an initial consideration of £3.94 million payable in cash and £250,000 satisfied by the issue and allotment of the Consideration Shares on completion (the "Initial Consideration") and additional deferred cash consideration based on the financial performance of Sold Out during the period commencing on 1 June 2017 to 31 December 2021, excluding working capital adjustments (the "Deferred Consideration"). The aggregate of the Initial Consideration and the Deferred Consideration is to be capped at £10 million. The net proceeds of the Placing are to be used to finance the Initial Consideration.

The issue of the Placing Shares and the Consideration Shares is conditional, *inter alia*, upon the approval by Shareholders of the Resolutions to be proposed at the General Meeting of the Company convened for 15 March 2019. Subject to Shareholders approving the Resolutions to be proposed at the General Meeting, it is expected that Admission of the Placing Shares will take place on or around 19 March 2019 and Admission of the Consideration Shares will take place on or around 22 March 2019.

The Placing Shares and Consideration Shares are not being offered on a *pro rata* basis to existing Shareholders and accordingly the Placing is conditional, *inter alia*, upon Shareholders resolving to disapply statutory pre-emption rights. Shareholders will find set out at the end of this document a Notice of General Meeting which has been convened for 10.00 a.m. on 15 March 2019 at which resolutions will be proposed to approve the allotment and issue of the Placing Shares and the Consideration Shares and to dis-apply statutory pre-emption rights in respect of such allotment.

The purpose of this document is to provide further details on the Acquisition and explain the background to and reasons for the Placing and why the Directors consider the Placing to be in the best interests of the Company and its Shareholders as a whole and why the Directors unanimously recommend that you vote in favour of the Resolutions to be proposed at the General Meeting, notice of which is set out at the end of this document.

The contents of this letter are important, and I would urge you to read it carefully and to vote in accordance with the instructions given in the paragraph below headed “Action to be taken” as soon as possible, and in any event by no later than 10.00 a.m. on 13 March 2019.

2. Background to and rationale for the Placing and Acquisition

Following a year of considerable progress for the Group in 2018, after the strategic overhaul of its core operations which has led to an improvement in performance and profitability, the Directors believe that the Company is well positioned to execute its strategy to develop commercial opportunities beyond theatre, which has been its sector focus to date.

Background to the Company

r4e is a leading integrated live entertainment communications group comprising several branding, design and advertising companies that deliver a breadth of market leading services to the theatrical, film and entertainment sectors. Its portfolio of agencies includes Dewynters, Newman Displays Limited, SpotCo, Wake the Bear and Story House. The Company is headquartered in London with offices in New York, Amsterdam and Hamburg and has over 200 employees. In London and New York, the Company has built a strong platform in the world’s foremost theatrical markets and continues to expand its client base into neighbouring verticals and markets.

Information on Sold Out

Sold Out is an independent full-service advertising agency which has specialised in arts and entertainment for over 25 years. It is based in London with 35 employees. As a result of its strong client relationships it enjoys a healthy market share of advertising within the arts and entertainment market. Its key clients include S.J.M. Concerts, AEG Presents, Live Nation, Maidwell Marketing, Cirque Du Soleil, EMG, Phil McIntyre Entertainments and Kilimanjaro.

Sold Out has a long track-record of delivering successful campaigns across multiple genres including live music, festivals, comedy, sport, venues and events. It delivered gross profit of £4.1 million, adjusted EBITDA of £1.7 million and profit before tax of £1.3 million in the financial year ended 31 May 2018. Its key service offerings include:

- strategic campaign development and implementation,
- media planning and buying (TV, digital, print, outdoor, radio and cinema),
- event marketing and management,
- media promotions and partnerships,
- design and creative across all media within its in-house design department, and
- TV, radio and digital production.

Rationale for the Acquisition

The Board believes that the acquisition of Sold Out will unlock significant opportunities for r4e to cross-sell its existing service offering in addition to the potential to pool resources around its core competencies over the longer term.

The Acquisition will combine Sold Out’s complementary capabilities of specialised advertising and offering principally planning and buying solutions, with r4e’s fully integrated marketing and communications offering covering creative, strategy, website building, ticketing and analytics. Additionally, it will provide an opportunity to cross sell additional services to a new client base, with r4e’s principal client-focus being core marketing communications activities in the theatrical sector and Sold Out’s primary focus being on live events, including live music, festivals, comedy and sport.

3. The Placing

The Company proposes to raise approximately £3 million (before expenses) through the issue of the Placing Shares at the Placing Price, which represents a discount of 0 per cent. to the closing bid price of 1.2p per Existing Ordinary Share on 21 February 2019, being the latest Dealing Day prior to the publication of this document. The Placing Shares will represent 19.6 per cent. of the Company's Enlarged Share Capital.

The terms of the Placing

Dowgate Capital, as agent for the Company, has agreed to use its reasonable endeavours to procure subscribers for the Placing Shares. Dowgate Capital has conditionally placed the Placing Shares with certain existing Shareholders and new institutional and other investors at the Placing Price. The Placing has not been underwritten by Dowgate Capital. Completion of the Placing is conditional upon, *inter alia*, the Resolutions being duly passed at the General Meeting and Admission becoming effective on or before 8.00 a.m. on 19 March 2019 (or such later time and/or date as the Company and Dowgate Capital may agree, but in any event by no later than 8.00 a.m. on 29 March 2019).

The Company has given certain undertakings to Dowgate Capital in relation to, *inter alia*, the accuracy of the information in this document. In addition, the Company has agreed to indemnify Dowgate Capital in relation to certain liabilities it may incur in respect of the Placing. Dowgate Capital has the right to terminate its engagement (but not the Placing) in certain circumstances prior to Admission, in particular, in the event of a material breach of the undertakings given to Dowgate Capital in its engagement letter, the failure of the Company to comply in any material respect with any of its obligations under the engagement letter or the occurrence of a *force majeure* event in respect of the Company. The Directors believe that raising new funds by way of the Placing is the most appropriate method of funding the Company at the present time. The Board considers that a general offer to existing Shareholders by way of rights or other pre-emptive issue is not appropriate at this stage of the Company's development due to the significant additional costs that would be incurred and the delay that would be caused by the production and approval of a prospectus.

Settlement and dealings

Application will be made to the London Stock Exchange for the Placing Shares to be admitted to trading on AIM. It is expected that Admission of the Placing Shares will become effective at 8.00 a.m. on 19 March 2019.

The Placing Shares will, when issued, rank *pari passu* in all respects with the Existing Ordinary Shares including the right to receive dividends and other distributions declared following Admission.

Director's participation in the Placing

Marc Boyan has agreed to participate in the Placing through Miroma R4E Holdings Limited, a company of which he is a director and controlling shareholder, as follows:

<i>Shareholder</i>	<i>At the date of this document</i>		<i>On Admission</i>	
	<i>No. of Existing Ordinary Shares held</i>	<i>No. of Placing Shares subscribed</i>	<i>No. of Ordinary Shares held</i>	<i>Percentage of Enlarged Share Capital</i>
Miroma R4E Holdings Limited	126,666,669	8,333,333	135,000,002	10.6

The participation of Miroma R4E Holdings Limited in the Placing constitutes a related party transaction pursuant to Rule 13 of the AIM Rules. Accordingly, the independent Directors (excluding Marc Boyan), having consulted with the Company's nominated adviser, Grant Thornton, consider that the terms of subscription to Placing Shares by Miroma R4E Holdings Limited are fair and reasonable insofar as Shareholders are concerned.

Additional Persons Discharging Managerial Responsibilities participating in the Placing

The following individuals listed in the below table have agreed to participate in the Placing, whilst not being Directors, the Company regards these individuals as being PDMRs.

<i>Shareholder</i>	<i>At the date of this document</i>		<i>On Admission</i>	
	<i>No. of Existing Ordinary Shares held</i>	<i>No. of Placing Shares subscribed</i>	<i>No. of Ordinary Shares held</i>	<i>Percentage of Enlarged Share Capital</i>
Paul Summers	8,000,000	2,083,000	10,083,000	0.8
James Charrington	4,333,334	416,667	4,750,001	0.4
Simon Shimell	993,334	416,667	1,410,001	0.1

The participation of Paul Summers and James Charrington as directors of subsidiary companies of r4e in the Placing, constitute related party transactions pursuant to Rule 13 of the AIM Rules. Accordingly, the independent Directors, having consulted with the Company's nominated adviser, Grant Thornton, consider that the terms of subscription to Placing Shares by Paul Summers and James Charrington are fair and reasonable insofar as Shareholders are concerned.

Substantial shareholders' participation in the Placing

As part of the Placing, Nigel Wray, via his investment company, Euroblue Investment Limited and his Charitable Trust, The Priory Foundation, and Herald Investment Management (together, the "**Substantial Shareholders**") have each agreed to subscribe 33,333,333 Placing Shares at the Placing Price. As the Substantial Shareholders each hold more than 10 per cent. of the Existing Ordinary Shares, the subscriptions by them for Placing Shares are deemed to be related party transactions pursuant to Rule 13 of the AIM Rules. Accordingly, the Directors, having consulted with the Company's nominated adviser, Grant Thornton, consider that the terms of subscription to Placing Shares by the Substantial Shareholders are fair and reasonable insofar as Shareholders are concerned.

Following Admission, Mr Wray will be interested in 228,959,503 Ordinary Shares and a non-beneficial interest in 25,000,000 Ordinary Shares representing approximately 19.82 per cent. of the Enlarged Share Capital and Herald Investment Management will have an interest in 184,006,824 Ordinary Shares, representing approximately 14.4 per cent. of the Enlarged Share Capital.

4. Related Party loan

With the consent of r4e's existing debt provider, the Initial Consideration will be funded in part by way of a £500,000 loan provided by In The Loop Limited, a company of which Marc Boyan, the CEO of r4e, is the ultimate beneficial owner. The loan bears interest at 5 per cent. accruing over a period of 5 years and is to be repaid from future dividends or distributions paid by Sold Out to r4e. The debt is unsecured and is to be subordinated to the Company's existing facility. The Independent Directors (excluding Marc Boyan), after having consulted with the Company's nominated adviser, Grant Thornton, consider that the terms of the loan are fair and reasonable insofar as Shareholders are concerned.

5. Sale and Purchase Agreement

On 21 February 2019, the Company entered into a Sale and Purchase agreement (the "SPA") pursuant to which the Company agreed, conditionally, to purchase the entire issued share capital of Sold Out from its four shareholders. The cash element of the Initial Consideration of £3.94 million, excluding working capital adjustments, will be paid in cash at completion of the Acquisition, expected to be on 19 March 2019 and will be satisfied in part from the proceeds of the Placing. The Completion Shares will be issued on the same day.

Deferred Consideration will be payable also under the SPA, based on the financial performance of Sold Out during the period commencing 1 June 2017 and ending on 31 December 2021, up to a maximum amount of £10 million excluding working capital adjustments. The first deferred payment shall be an amount payable in cash, calculated by reference to the average EBITDA for the earnings period commencing on 1 July 2017 and ending on 31 December 2019. The second deferred payment will be an amount payable in cash by

reference to the average EBITDA for the earnings period commencing on 1 June 2017 and ending on 31 December 2021.

The Acquisition is conditional on Admission of the Placing Shares having taken place before 29 March 2019. Completion of the Acquisition is expected to occur within two business days of the date of Admission.

The SPA contains certain customary warranties, indemnities and a tax covenant given by all the sellers in relation to Sold Out and its business, subject to certain customary limitations.

6. Use of proceeds

The net proceeds of the Placing will be used by the Company to finance the Initial Consideration, together with associated transaction costs.

7. Current trading and prospects

Following a difficult 2017, in its interim results to 30 June 2018 the Company reported an increase of 30 per cent. in adjusted EBITDA from existing operations to £0.6 million (2017: £0.4 million), primarily brought about by a streamlining of the cost base across both Dewynters and SpotCo. Overall, Group trading performance for the six-month period was slightly down comparably, this largely being attributable to the residual effect of the closure and loss of shows that negatively impacted SpotCo from the middle of FY17.

As announced in the Group's trading update released on 31 January 2019, 2018 was a year of considerable progress after the strategic overhaul of its core operations, which has led to an improvement in performance and profitability. As such, the Group expects full year adjusted EBITDA to be significantly ahead of expectations.

Dewynters continued to build its leading position in live entertainment marketing by representing some of the biggest names in the industry, including the Royal Shakespeare Company and Disney Theatrical Productions. Outside of theatre, Dewynters also won mandates for the launch of the permanent Body Worlds exhibit in Central London and the Goodwood Festival. The business had a strong second half to the year which, on top of a real drive to control overheads, made a significant impact on profit compared to the prior year.

Within the Group's core businesses, SpotCo underwent a number of structural changes to improve client servicing and win new contracts to support longer term growth. Major shows worked on during the year included Book of Mormon, Kinky Boots, Lincoln Center Theatre and Mean Girls. In H2 2018, SpotCo also began working on King Kong, Pretty Woman and To Kill A Mockingbird. All three of these new clients are open-ended productions and therefore will continue to deliver revenues into 2019.

The Group's strategic objective to develop a pipeline of new opportunities, both within and outside the live entertainment sector, has also begun to make progress. During 2018, the Group successfully launched Wake the Bear, a strategy led marketing communications agency, Story House, the theatre and live entertainment PR agency and Dewynters Amsterdam, a joint venture to address the Dutch live entertainment and theatrical industries. The Group is pleased to report that Story House's operations broke even during 2018 after winning seven West End and World touring clients. Wake the Bear won a number of client mandates during the year and has reduced its cash burn ahead of forecast. Dewynters Amsterdam has been able to grow its client base beyond its initial launch client and is on track against expected performance.

2019 Outlook

Momentum within the Group's core business has continued into 2019 under the Company's new management team. SpotCo is currently working on eight open-ended shows and venue clients which are expected to run through the year and five new productions which the agency will begin marketing and advertising during 2019. The new shows include amongst others Almost Famous and Magic Mike. SpotCo also recently won Tootsie from a leading competitor, which is testament to the calibre of the new management team.

Dewynters is expected to launch four major West End musicals, including two of the largest shows to transfer from Broadway this year in Dear Evan Hansen and Waitress. The team is also due to commence marketing the UK premiere of Mamma Mia! The Party, which is a new immersive theatrical experience.

The Group recently completed the acquisition of a 50 per cent. interest in Buzz 16 Productions (“Buzz 16”), with the view to expanding the Group’s entertainment offering into sport and creating multiple new revenue streams. Buzz 16, which was founded in 2016, creates both short and long form sports orientated content and is co-owned by shareholders including former Manchester United player and media personality, Gary Neville, along with former Sky Sports Premier League producer, Scott Melvin.

Buzz 16 has been responsible for a number of hit sports-related productions in recent years, including the popular Sky Sports and Sky Go “*Class of 92: Full Time*”, and Gary Neville’s “SoccerBox” which has been distributed through Sky Sports as well as online.

8. The General Meeting

The Directors do not currently have sufficient authority to allot all of the Placing and Consideration Shares. Accordingly, the Directors are seeking the approval of Shareholders at the General Meeting to issue and allot the Placing and Consideration Shares.

The Notice of General Meeting convened for 10.00 a.m. on 15 March 2019 at the offices of r4e, Wellington House, 125 Strand, London WC2R 0AP is set out at the end of this document.

At the General Meeting, the following Resolutions will be proposed:

- (a) an ordinary resolution authorising the Directors for the purposes of section 551 of the Act (subject to and conditional upon the passing of resolution 2 at the General Meeting and the engagement of Dowgate Capital in connection with the Placing not having been earlier terminated), to exercise all of the powers of the Company to allot shares of the Company or to grant rights to subscribe for, or to convert any security into, shares of the Company up to an aggregate nominal value of £1,354,167 to such persons at such times and generally on such terms and conditions as the Directors may determine for the purposes of the Placing and the Acquisition; and
- (b) a special resolution to empower the Directors pursuant to section 570 of the Act (subject to and conditional upon the passing of resolution 1 at the General Meeting), to allot equity securities for cash in connection with the Placing and to allot equity securities in connection with the Acquisition, as if the statutory pre-emption rights conferred by section 561(1) of the Act did not apply to any such allotment.

If the Resolutions are not passed or if Admission of the Placing Shares does not take place on or before 8.00 a.m. on 19 March 2019 (or such later time and/or date as the Company and Dowgate Capital may agree, being not later than 29 March 2019), the Placing and the Acquisition will not proceed.

9. Further information

Further copies of this document are available to the public free of charge from the Company’s offices at Wellington House, 125 Strand, London WC2R 0AP at any time up until and including the date of the General Meeting, and can also be downloaded from the Company’s website at www.r4e.com. Shareholders’ attention is drawn to the remainder of this document.

10. Action to be taken

The Form of Proxy for the General Meeting does not accompany this document. Instead you can submit a proxy vote online at www.signalshares.com. To register, you will need your Investor Code, which can be found on the letter or email dispatched to you announcing the General Meeting. Once logged on, you can click on the ‘Vote Online Now’ button to vote. Your Form of Proxy should be submitted as early as possible, and in any event no later than 48 hours before the start of the meeting (excluding weekends and public holidays). You may request a hard copy Form of Proxy directly from the Company’s Registrars, Link Asset Services, on 0871 664 0300. Calls cost 12p per minute plus your operator’s network access charge. If you are outside the United Kingdom, please call +44 371 664 0300. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9.00 a.m. to 5.30 p.m., Monday to Friday, excluding public holidays in England and Wales.

If you hold your Existing Ordinary Shares in uncertificated form in CREST, you may vote using the CREST Proxy Voting service in accordance with the procedures set out in the CREST Manual. Further details are

also set out in the notes accompanying the Notice of General Meeting at the end of this document. Proxies submitted via CREST must be received by the Company's agent (ID: RA10) by no later than 10.00 a.m. on 13 March 2019.

The completion and return of a Form of Proxy or the use of the CREST Proxy Voting service will not prevent you from attending and voting at the General Meeting in person should you subsequently find that you are able to be present.

11. Recommendation

The Directors consider both the Acquisition and the Placing to be in the best interests of the Company and its Shareholders as a whole and accordingly recommend unanimously Shareholders to vote in favour of the Resolutions to be proposed at the General Meeting as the Directors intend to do in respect of their entire holding which amount to interests in 134,664,280 Ordinary Shares, representing approximately 13.4 per cent. of the existing issued ordinary share capital of the Company.

Yours faithfully

Lord Michael Ian Grade of Yarmouth

Chairman

NOTICE OF GENERAL MEETING

reach4entertainment enterprises plc

(Incorporated under the Companies Act 1985 and registered in England and Wales with registered number 02725009)

NOTICE IS HEREBY GIVEN THAT a general meeting of reach4entertainment enterprises plc (the “**Company**”) will be held at Wellington House, 125 Strand, London WC2R 0AP at 10.00 a.m. on 15 March 2019 for the purpose of considering and, if thought fit, passing the following resolutions, of which resolution 1 will be proposed as an ordinary resolution and resolution 2 will be proposed as a special resolution:

ORDINARY RESOLUTION

1. **THAT**, in addition and without prejudice to any unexercised existing authority granted to the directors of the Company (“**Directors**”), and subject to and conditional upon the passing of Resolution 2 below and the engagement of Dowgate Capital Limited in connection with the Placing (as defined in the circular to shareholders of the Company dated 22 February 2019 (the “**Circular**”)) having not been earlier terminated, the Directors be and are hereby generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 (“**Act**”) to exercise all the powers of the Company to allot shares of the Company or to grant rights to subscribe for, or convert any securities into, shares of the Company (such shares and rights being together referred to as “**Relevant Securities**”), up to an aggregate nominal amount of £1,354,167, to such persons at such times and generally on such terms and conditions as the Directors may determine (subject to the articles of association of the Company) in connection with the Placing and the Acquisition, provided that this authority, unless previously renewed, varied, extended or revoked by the Company in general meeting, shall expire on the conclusion of the next annual general meeting of the Company, save that the Company may, before such expiry, make any offer or agreement which would or might require Relevant Securities to be allotted after such expiry, and the Directors may allot Relevant Securities in pursuance of any such offer or agreement as if the authority conferred hereby had not expired.

SPECIAL RESOLUTION

2. **THAT**, subject to and conditional upon the passing of Resolution 1 above, the Directors be and are hereby empowered pursuant to section 570(1) of the Act, to allot equity securities (as defined in section 560 of the Act) for cash pursuant to the authority conferred upon them by Resolution 1 above as if section 561(1) of the Act did not apply to any such allotment, provided that such power shall expire on the conclusion of the next annual general meeting of the Company, save that the Company may before the expiry of this power make an offer or agreement which would or might require equity securities to be allotted after such expiry, and the Directors may allot equity securities in pursuance of such offer or agreement as if this power conferred hereby had not expired.

Dated: 22 February 2019

Registered Office:

Wellington House
125 Strand
London
WC2R 0AP

By order of the Board:

Lord Michael Ian Grade of Yarmouth
Chairman

Notes:

1. Voting at the meeting will take place by means of a show of hands, unless a poll is demanded in accordance with the Company's articles of association.
2. A member entitled to attend and vote at the meeting may appoint one or more proxies to exercise all or any of the member's rights to attend, speak and vote at the meeting, and any adjournment thereof. A proxy need not be a member of the Company but must attend the meeting for the member's vote to be counted. A proxy shall, unless directed otherwise by the appointing member, vote or abstain from voting as the proxy sees fit at the meeting.
3. A proxy may only be appointed by a member using the procedures set out in these notes and the notes to the Form of Proxy. To be effective, a Form of Proxy must be submitted at www.signalshares.com so as to have been received by the Company's Registrars, Link Asset Services, not less than 48 hours before the time appointed for the meeting or any adjournment thereof (excluding weekends and public holidays). To register, members will need their Investor Code. Alternatively, a member may request a Form of Proxy in paper form from the Company's Registrars, Link Asset Services, on 0871 664 0300 (calls cost 12p per minute plus your operator's network access charge). If you are outside the United Kingdom, please call +44 371 664 0300 (calls will be charged at the applicable international rate). Lines are open between 9.00 a.m. to 5.30 p.m., Monday to Friday, excluding public holidays in England and Wales.
4. Pursuant to Regulation 41(1) of the Uncertificated Securities Regulations 2001 (as amended), the Company has specified that only those members registered on the register of members of the Company at 6.30 p.m. on 13 March 2019 (the "**Specified Time**") (or, if the meeting is adjourned to a time more than 48 hours after the Specified Time, at close of business on the business day which is two days' prior to the time of the adjourned meeting) shall be entitled to attend and vote or to appoint one or more proxies to vote on their behalf at the meeting in respect of the number of shares registered in their name at that time. If the meeting is adjourned to a time not more than 48 hours after the Specified Time, that time will also apply for the purpose of determining the entitlement of members to attend and vote (and for the purposes of determining the number of votes they may cast) at the adjourned meeting. Changes to the register of members of the Company after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
5. If a member appoints more than one proxy to attend the meeting, each proxy must be appointed to exercise the rights attached to a different share(s) held by the member. If a member wishes to appoint more than one proxy they may do so at www.signalshares.com and if paper Forms of Proxy are required, the member should contact the Company's Registrars, Link Asset Services, as set out in Note 3 above. The appointment of a proxy shall not preclude a member from attending and voting in person at the meeting, or at any adjournment thereof. If a member has appointed a proxy but decides to attend the meeting, such proxy will not be able to attend, speak or vote at the meeting on the member's behalf.
6. Any power of attorney (duly certified) or other authority under which a Form of Proxy is submitted, and any Form of Proxy completed in paper form, must be returned to the Company's Registrars, Link Asset Services, by post to PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF so as to arrive not less than 48 hours before the time appointed for the meeting or any adjournment thereof (excluding weekends and public holidays).
7. Subject to Note 5, if more than one valid proxy appointment is submitted by a member, the appointment received last before the latest time for receipt of proxies will take precedence,
8. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
9. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instruction, as described in the CREST Manual (available via www.euroclear.com/CREST). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to an instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the Company's agent (ID: RA10) by the latest time(s) for receipt of proxy appointments specified in Note 3 above. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
10. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings (www.euroclear.com/CREST).
11. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001 (as amended).
12. A member wishing to revoke his or her proxy appointment should do so by sending a notice to that effect to the Company's Registrars, Link Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF or electronically by means of the facilities described in Notes 3 and 9 above. The revocation notice must be received by the Company's Registrars, Link Asset Services, by the time limit set out in Note 3. Any revocation notice received after this time will not have effect.
13. Any corporation which is a member of the Company can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
14. Any electronic address provided either in this Notice of General Meeting or in any related documents may not be used to communicate with the Company for any purposes other than those expressly stated.
15. In the case of joint holders, where more than one of the joint holders 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 register of members of the Company in respect of the joint holders (the first named being the most senior).