



13 November 2015

To all shareholders of reach4entertainment enterprises plc (“r4e” or the “Company”)

Dear Shareholder,

**Important information regarding FRS 102 Reduced Disclosure Requirements**

Recent changes in accounting regulations require all companies in the UK and Republic of Ireland to adopt new Financial Reporting Standards for financial periods ending after 1 January 2015.

Whilst the group financial statements will continue to be presented in accordance with IFRS, r4e the standalone parent company, currently reporting under UK GAAP, shall be applying FRS102 to its standalone parent accounts for the period ending 31 December 2015 onwards. FRS 102 differs in a number of respects from previous UK GAAP, including requirements to make additional disclosures. However, certain disclosure exemptions are available to qualifying entities including exemption from the requirement to publish a cashflow statement and related notes. r4e would like to utilise the disclosure exemptions available. In order to qualify for these exemptions it is a requirement that the Company must notify shareholders in writing of its intentions.

A shareholder or shareholders who between them hold in aggregate 5% or more of the total allotted shares in the capital of the Company can serve written notice(s) of objection to the use of such disclosure exemptions on the Company, at its registered office, by no later than 13 December 2015. Such notice(s) must include the name of the registered shareholder, and the number of shares held.

The financial statements ending 31 December 2015 will summarise (in narrative form) the exemptions applied to the standalone parent accounts and identify the consolidated financial statements in which the parent is consolidated. The group consolidated accounts which report under IFRS will not be affected by these changes.

BY ORDER OF THE BOARD

David Stoller  
Executive Chairman/Acting CEO