

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PART II OF THIS DOCUMENT COMPRISES AN EXPLANATORY STATEMENT IN COMPLIANCE WITH SECTION 897 OF THE COMPANIES ACT 2006. IF YOU ARE IN ANY DOUBT ABOUT THE CONTENTS OF THIS DOCUMENT OR WHAT ACTION YOU SHOULD TAKE, YOU ARE RECOMMENDED TO SEEK YOUR OWN INDEPENDENT FINANCIAL ADVICE IMMEDIATELY FROM YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER INDEPENDENT FINANCIAL ADVISER DULY AUTHORISED 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 FINANCIAL ADVISER.

Powerleague Shareholders should read the whole of this document. In addition, this document should be read in conjunction with the accompanying blue and white Forms of Proxy. Definitions in this document are set out in Part VII of this document.

If you have sold or otherwise transferred all of your Powerleague Shares, please forward this document, together with the accompanying documents (but not the personalised Forms of Proxy) as soon as possible to the buyer or transferee or to the stockbroker, bank manager or other agent through whom the sale or transfer was made for onward delivery to the buyer or transferee. However, such documents should not be mailed, transmitted or distributed, in whole or in part, in, into or from any jurisdiction in which such act would constitute a violation of the relevant laws of such jurisdiction. If you have sold or otherwise transferred part only of your holding of Powerleague Shares, you should retain these documents and consult the stockbroker, bank manager or other agent through whom the sale or transfer was effected.

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## **Recommended Cash Offer for the Acquisition**

by

**Patron Sports Leisure S.a.r.l.**

**(a company indirectly owned by Patron Capital L.P. III)**

of

**Powerleague Group plc**

**to be effected by means of a Scheme of Arrangement  
under Part 26 of the Companies Act 2006**

**Circular to Shareholders and Explanatory Statement under section 897 of the  
Companies Act 2006**

and

**Notice of General Meeting**

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Your attention is drawn to the letter from the Chairman of Powerleague on behalf of the Independent Directors set out in Part I of this document, which contains the unanimous recommendation of the Independent Directors that you vote in favour of the Scheme at the Court Meeting and in favour of the Resolutions to be proposed at the General Meeting. An explanatory statement from Ernst & Young explaining the Scheme is set out in Part II of this document.

Notices of the Court Meeting and the General Meeting, each of which will be held at the offices of Osborne Clarke, One London Wall, London EC2Y 5EB on 9 November 2009, are set out in Parts VIII and IX of this document. The Court Meeting will start at 10.00 a.m. and the General Meeting at 10.15 a.m. (or as soon thereafter as the Court Meeting shall have been concluded or adjourned).

The action to be taken in respect of the Meetings is set out on page 5 and also in paragraph 20 of Part II of this document. Powerleague Shareholders will find accompanying this document a blue Form of Proxy for use in connection with the Court Meeting and a white Form of Proxy for use in connection with the General Meeting. Whether or not you intend to attend the Meetings in person, please complete and sign each of the Forms of Proxy in accordance with the instructions printed thereon and return them by post or by hand to Powerleague's registrars, Computershare, as soon as possible and, in any event, so as to be received no later than 48 hours before the time appointed for the relevant Meeting. If the blue Form of Proxy for the Court Meeting is not returned by the above time, it may be handed to Computershare, on behalf of the chairman of the Court Meeting, at the Court Meeting before the taking of the poll. However, in the case of the General Meeting, unless the white Form of Proxy is returned by the time mentioned in the instructions printed thereon, it will be invalid. The completion and return of a Form of Proxy will not prevent you from attending and voting in person at the Court Meeting or the General Meeting or any adjournments thereof, if you so wish and are so entitled.

Ernst & Young, which is authorised and regulated in the United Kingdom by the FSA, is acting exclusively for Powerleague and for no one else in connection with the Acquisition and will not be responsible to anyone other than Powerleague for providing the protections afforded to clients of Ernst & Young nor for providing advice in relation to the Acquisition or any other matter or arrangement referred to in this document.

Altium, which is authorised and regulated in the United Kingdom by the FSA, is acting exclusively for Patron Sports Leisure and for no one else in connection with the Acquisition and will not be responsible to any person other than Patron Sports Leisure for providing the protections afforded to clients of Altium nor for providing advice in relation to the Acquisition or any other matter or arrangement referred to in this document.

## IMPORTANT NOTICE

The release, publication or distribution of this document in jurisdictions other than the United Kingdom may be restricted by law and therefore persons into whose possession this document comes should inform themselves about, and observe, any applicable restrictions or requirements. Any failure to comply with such restrictions may constitute a violation of the securities laws of any such jurisdiction. This document has been prepared for the purposes of complying with English law, the Code and the AIM Rules and the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws and regulations of any jurisdiction outside of England and Wales.

This document and the accompanying documents do not constitute an offer or an invitation to purchase or subscribe for any securities or a solicitation of an offer to buy any securities pursuant to the document or otherwise in any jurisdiction in which such offer or solicitation is unlawful. This document does not comprise a prospectus or a prospectus equivalent document.

The statements contained herein 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 forth herein since such date. Nothing contained in this document shall be deemed to be a forecast, projection or estimate of the future financial performance of Powerleague or the Powerleague Group, or of Patron Sports Leisure or the Patron Group, or of the Enlarged Group, except where otherwise stated.

### CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

This document including certain information included by reference contains certain forward looking statements with respect to the financial condition, results of operations and business of Powerleague or the Powerleague Group and Patron Sports Leisure or the Patron Group and certain plans and objectives of the boards of directors of Powerleague and Patron Sports Leisure. These forward looking statements can be identified by the fact that they do not relate to historical or current facts. Forward looking statements often use words such as “anticipate”, “target”, “expect”, “estimate”, “intend”, “plan”, “goal”, “believe”, “will”, “may”, “should”, “would”, “could” or other words of similar meaning. These statements are based on assumptions and assessments made by the boards of directors of Powerleague and Patron Sports Leisure in the light of their experience and their perception of historical trends, current conditions, expected future developments and other factors they believe appropriate. By their nature, forward looking statements involve risk and uncertainty and the factors described in the context of such forward looking statements in this document could cause actual results and developments to differ materially from those expressed in or implied by such forward looking statements.

**Should one or more of these risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary materially from those described in this document. Except as required by the FSA, the London Stock Exchange, the AIM Rules or any other applicable law, Powerleague and Patron Sports Leisure assume no obligation to update or correct the information contained in this document.**

### DEALING DISCLOSURE REQUIREMENTS

Under the provisions of Rule 8.3 of the Code, if any person is, or becomes, “interested” (directly or indirectly) in one per cent. or more of any class of “relevant securities” of Powerleague, all “dealings” in any “relevant securities” of Powerleague (including by means of an option in respect of, or a derivative referenced to, any such “relevant securities”) must be publicly disclosed by no later than 3.30 p.m. on the business day following the date of the relevant transaction. This requirement will continue until the Effective Date or until the date on which the Scheme lapses or is otherwise withdrawn or on which the Offer Period otherwise ends (or, if Patron Sports Leisure elects to effect the Acquisition by way of an Offer, until the date on which such Offer becomes, or is declared, unconditional as to acceptances, lapses or is otherwise withdrawn or on which the relevant “offer period” otherwise ends). If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire an “interest” in “relevant securities” of Powerleague, they will be deemed to be a single person for the purpose of Rule 8.3.

Under the provisions of Rule 8.1 of the Code, all “dealings” in “relevant securities” of Powerleague by Powerleague or Patron Sports Leisure, or by any of their respective “associates”, must be disclosed by no later than 12.00 noon on the business day following the date of the relevant transaction.

A disclosure table, giving details of the companies in whose “relevant securities” “dealings” should be disclosed, and the number of such securities in issue, can be found on the Panel’s website at [www.thetakeoverpanel.org.uk](http://www.thetakeoverpanel.org.uk).

“Interests in securities” arise, in summary, when a person has long economic exposure, whether conditional or absolute, to changes in the price of securities. In particular, a person will be treated as having an “interest” by virtue of the ownership or control of securities, or by virtue of any option in respect of, or derivative referenced to, securities.

Terms in quotation marks in this section are defined in the Code, which can also be found on the Panel’s website. If you are in any doubt as to whether or not you are required to disclose a “dealing” under Rule 8, you should consult the Panel.

## TO VOTE ON THE ACQUISITION

This page should be read in conjunction with the ACTION TO BE TAKEN, set out on page 5 of this document, and the rest of the document.

Whether or not you plan to attend the Meetings:

1. Complete, sign and return the blue Form of Proxy for the use at the Court Meeting, so as to be received by no later than 10.00 a.m. on 7 November 2009;<sup>1</sup> and
2. Complete, sign and return the white Form of Proxy for use at the General Meeting, so as to be received by no later than 10.15 a.m. on 7 November 2009.

**If you require assistance, please telephone Computershare on 0870 707 1252 (from within the UK) or +44 (0)870 707 1252 (from outside the UK) between 9.00 a.m. and 5.00 p.m., Monday to Friday (excluding public holidays).**

**Please note that, for legal reasons, the helpline cannot provide advice on the merits of the Acquisition or give any legal, tax or financial advice.**

**All calls will be recorded.**

**Copies of this document (and any information incorporated into it by reference to another source) sent to persons in electronic form or by means of being published on Patron Capital's and/or Powerleague's websites and all future documents, announcements and information required to be sent to persons in relation to the Acquisition may be requested to be received by such persons in hard copy form by writing to Computershare Investors Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZZ or by calling Computershare on telephone number 0870 707 1252 (or +44 (0)870 707 1252 from outside of the UK) on Monday to Friday (excluding public holidays). A hard copy of this document will not otherwise be sent unless so requested.**

The completion and return of Forms of Proxy will not prevent you from attending and voting at the Court Meeting and/or the General Meeting, or any adjournments thereof, in person should you wish to do so and should you be so entitled.

**IT IS IMPORTANT THAT, FOR THE COURT MEETING, AS MANY VOTES AS POSSIBLE ARE CAST SO THAT THE COURT MAY BE SATISFIED THAT THERE IS A FAIR AND REASONABLE REPRESENTATION OF SCHEME SHAREHOLDER OPINION. YOU ARE THEREFORE STRONGLY URGED TO COMPLETE, SIGN AND RETURN YOUR FORMS OF PROXY AS SOON AS POSSIBLE.**

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<sup>1</sup> If the blue Form of Proxy for the Court Meeting is not returned by the above time, it may be handed to Computershare, on behalf of the chairman of the Court Meeting, at the Court Meeting before the taking of the poll.

## ACTION TO BE TAKEN

Detailed instructions on the action to be taken are set out in paragraph 20 of Part II of this document and are summarised below.

The Court Meeting and the General Meeting will be held at the offices of Osborne Clarke, One London Wall, London EC2Y 5EB on 9 November 2009 at 10.00 a.m. and 10.15 a.m. respectively (or, in the case of the General Meeting, if later, as soon as the Court Meeting has been concluded or adjourned). The Scheme requires approval at both of these Meetings.

Please check that you have received the following with this document:

- a blue Form of Proxy for use in respect of the Court Meeting; and
- a white Form of Proxy for use in respect of the General Meeting.

If you have not received all of these documents, please contact Computershare on the helpline telephone number indicated below.

### To vote on the Scheme:

**Whether or not you intend to attend the Meetings, please complete and sign both the blue and white Forms of Proxy and return them to Computershare Investors Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZZ, as soon as possible, but in any event to be received by no later than 10.00 a.m. on 7 November 2009 in the case of the Court Meeting (blue form) and by no later than 10.15 a.m. on 7 November 2009 in the case of the General Meeting (white form) (or in the case of an adjourned meeting, not less than 48 hours prior to the time and date set for the adjourned meeting).** This will enable your votes to be counted at the Meetings in the event of your absence. If the blue Form of Proxy for use at the Court Meeting is not returned by 10.00 a.m. on 7 November 2009, it may be handed to Computershare, on behalf of the chairman of the Court Meeting, at the Court Meeting before the taking of the poll. However, in the case of the General Meeting, unless the white Form of Proxy is returned by the time mentioned in the instructions printed thereon, it will be invalid.

If you hold your Powerleague Shares in uncertificated form (that is, in CREST), you may vote using the CREST voting service in accordance with the procedures set out in the CREST Manual (please also refer to the notes for the notices convening the Court Meeting and the General Meeting set out in Part VIII and Part IX respectively of this document). Proxies submitted through CREST (under CREST participant ID 3RA50) must be received by Computershare no later than 10.00 a.m. on 7 November 2009 in the case of the Court Meeting and by 10.15 a.m. on 7 November 2009 in the case of the General Meeting (or, in the case of an adjourned meeting, not less than 48 hours prior to the time and date set for the adjourned meeting).

The completion and return of the relevant Form of Proxy will not prevent you from attending and voting in person at the Court Meeting and/or the General Meeting, or any adjournments thereof, should you wish to do so and should you be entitled.

<p><b>IT IS IMPORTANT THAT, FOR THE COURT MEETING, AS MANY VOTES AS POSSIBLE ARE CAST SO THAT THE COURT MAY BE SATISFIED THAT THERE IS A FAIR AND REASONABLE REPRESENTATION OF SCHEME SHAREHOLDER OPINION. YOU ARE THEREFORE STRONGLY URGED TO COMPLETE, SIGN AND RETURN YOUR FORMS OF PROXY AS SOON AS POSSIBLE.</b></p>
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### Appointment of multiple proxies and multiple proxy voting instructions:

You are entitled to appoint a proxy in respect of some or all of your Powerleague Shares. You are also entitled to appoint more than one proxy. A space has been included in the Forms of Proxy to allow you to specify the number of Powerleague Shares in respect of which that proxy is appointed. If you return the Forms of Proxy duly executed but leave this space blank, you will be deemed to have appointed the proxy in respect of all of your shares.

If you wish to appoint more than one proxy in respect of your shareholding, you should contact Computershare to obtain further Forms of Proxy or photocopy the Forms of Proxy, as required. You may appoint more than one proxy in relation to each Meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by you. The following principles shall apply in relation to the appointment of multiple proxies:

- (a) Powerleague will give effect to the intentions of members and include votes wherever and to the fullest extent possible.

- (b) Where a proxy does not state the number of Powerleague Shares to which it applies (a “**blank proxy**”) then, subject to the following principles where more than one proxy is appointed, that proxy is deemed to have been appointed in relation to the total number of Powerleague Shares registered in the name of the appointing member (the “member’s entire holding”). In the event of a conflict between a blank proxy and a proxy which does state the number of Powerleague Shares to which it applies (a “**specific proxy**”), the specific proxy shall be counted first, regardless of the time it was delivered or received (on the basis that, as far as possible, the conflicting Forms of Proxy should be judged to be in respect of different Powerleague Shares) and the remaining Powerleague Shares will be apportioned to the blank proxy (*pro rata* if there is more than one).
- (c) Where there is more than one proxy appointed and the total number of Powerleague Shares in respect of which proxies are appointed is no greater than the member’s entire holding, it is assumed that proxies are appointed in relation to different Powerleague Shares, rather than that conflicting appointments have been made in relation to the same Powerleague Shares. That is, there is only assumed to be a conflict where the aggregate number of Powerleague Shares in respect of which proxies have been appointed exceeds the member’s entire holding.
- (d) When considering conflicting proxies, later proxies will prevail over earlier proxies and a later proxy will be determined on the basis of which proxy is last delivered or received.
- (e) If conflicting proxies are delivered or received at the same time in respect of (or deemed to be in respect of) an entire holding and if Powerleague is unable to determine which was delivered or received last, none of them will be treated as valid.
- (f) Where the aggregate number of Powerleague Shares in respect of which proxies are appointed exceeds a member’s entire holding, all appointments will be rendered invalid.
- (g) If a member appoints a proxy or proxies and then decides to attend the Court Meeting or the General Meeting in person and vote using his poll card (as applicable), then the vote in person will override the proxy vote(s). If the vote in person is in respect of the member’s entire holding then all proxy votes will be disregarded. If, however, the member votes at the Meeting in respect of less than the member’s entire holding then, if the member indicates on his poll card that all proxies are to be disregarded, that shall be the case; but if the member does not specifically revoke proxies, then the vote in person will be treated in the same way as if it were the last received proxy and earlier proxies will only be disregarded to the extent that to count them would result in the number of votes being cast exceeding the member’s entire holding.
- (h) In relation to paragraph (g) above, in the event that a member does not specifically revoke proxies, it will not be possible for Powerleague to determine the intentions of the member in this regard. However, in light of the aim to include votes wherever and to the fullest extent possible, it will be assumed that earlier proxies should continue to apply to the fullest extent possible.

#### **Helpline**

**If you have any questions relating to this document or the completion and return of the Forms of Proxy, please write to Computershare, at Computershare Investors Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZZ or call on 0870 707 1252 or, if telephoning from outside the United Kingdom, on +44 (0)870 707 1252 between 9.00 a.m. and 5.00 p.m. Monday to Friday, excluding public holidays. Please note that, for legal reasons, the helpline cannot provide advice on the merits of the Acquisition or give any legal, tax or financial advice.**

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## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

<i>Event</i>	<i>Time and/or date</i>
<b>Latest time for receipt of blue Forms of Proxy/CREST Proxy instructions for the Court Meeting</b>	<b>10.00 a.m. on 7 November 2009<sup>(1)</sup></b>
<b>Latest time for receipt of white Forms of Proxy/ CREST Proxy instructions for the General Meeting</b>	<b>10.15 a.m. on 7 November 2009<sup>(1)</sup></b>
Voting Record Time	6.00 p.m. on 7 November 2009 <sup>(2)</sup>
<b>Court Meeting</b>	<b>10.00 a.m. on 9 November 2009</b>
<b>General Meeting</b>	<b>10.15 a.m. on 9 November 2009<sup>(3)</sup></b>
<i>The following dates are subject to change (please see note (4) below)</i>	
Scheme Record Time	6.00 p.m. on 25 November 2009
Last day of dealings in, and for registration of transfers of, and disablement in CREST of, Powerleague Shares	25 November 2009
Court Hearing to sanction the Scheme and to confirm the Capital Reduction	26 November 2009
Filing of the Court Order	27 November 2009
<b>Effective Date</b>	<b>27 November 2009</b>
Cancellation of admission to trading on AIM of Powerleague Shares	By no later than 8.00 a.m. on 27 November 2009
Latest date for despatch of cheques and crediting of CREST accounts for cash consideration due under the Scheme	11 December 2009

Unless otherwise stated, all references to times in this document are to London times.

**The Court Meeting and the General Meeting will each be held at the offices of Osborne Clarke, One London Wall, London EC2Y 5EB.**

Notes:

1. If the blue Form of Proxy for the Court Meeting is not returned by the above time, it may be handed to Computershare, on behalf of the chairman of the Court Meeting, at the Court Meeting before the taking of the poll. However, the white Form of Proxy for the General Meeting must be returned by 10.15 a.m. on 7 November 2009 to be valid.
2. If either the Court Meeting or the General Meeting is adjourned, the voting record time for the adjourned Meeting will be 6.00 p.m. on the date two days before the date set for the adjourned Meeting.
3. To commence at 10.15 a.m. or, if later, immediately after the conclusion or adjournment of the Court Meeting.
4. These times and dates are indicative only and will depend, among other things, on the date upon which the Court sanctions the Scheme and confirms the associated Capital Reduction and the date on which the Conditions set out in Part III to this document are satisfied or (if capable of waiver) waived. If any of the expected dates change, Powerleague will, unless the Panel otherwise directs, give notice of the change by issuing an announcement through a Regulatory Information Service.

## PART I

### LETTER FROM THE CHAIRMAN ON BEHALF OF THE INDEPENDENT DIRECTORS OF POWERLEAGUE

*(Incorporated in England and Wales under the Companies Act 1985 with registered number 5384840)*

*Directors:*

Claude Manuel Littner (*Chairman*)\*  
Sean Paul Tracey (*Chief Executive*)  
Sheena Marion Beckwith (*Finance Director*)  
Andrew Howard Mallett (*Non-executive Director*)\*  
Simon Anthony Bentley (*Non-executive Director*)\*  
Keith M Breslauer (*Non-executive Director*)  
Paul Orchard-Lisle (*Non-executive Director*)

*Registered office:*  
Powerleague Mill Hill  
Pursley Road  
Mill Hill  
London  
NW7 2BB

\* *Denotes an Independent Director*

16 October 2009

*To: Powerleague Shareholders*

Dear Powerleague Shareholder,

#### **Recommended Cash Offer for the Acquisition by Patron Sports Leisure of Powerleague**

##### **1. Introduction**

On 8 April 2009, Patron Sports Leisure announced that it was considering its options in relation to its 29.0 per cent. shareholding in Powerleague which included, amongst other possibilities, making an offer for the remaining shares in Powerleague which it did not already own. On 2 October 2009, it was announced that the board of Patron Sports Leisure and the Independent Directors had reached agreement on the terms of a recommended cash offer for the acquisition of the entire issued and to be issued share capital of Powerleague (other than the Powerleague Shares already held by Patron Sports Leisure and the Management Team Exchange Shares), to be effected by means of a scheme of arrangement between Powerleague and its shareholders pursuant to the provisions of Part 26 of the Act.

I am writing to you to explain the background to, and terms of, the Acquisition and why the Independent Directors are recommending unanimously that Scheme Shareholders vote in favour of the Scheme at the Court Meeting and that Powerleague Shareholders vote in favour of the Resolutions to be proposed at the General Meeting as they have undertaken to do in respect of their own (and certain connected persons') entire legal and beneficial holdings of, in aggregate, 5,137,686 Powerleague Shares, representing at the date of this document approximately 6.3 per cent. of the existing issued share capital of Powerleague.

Details of the actions you should take and the recommendation of the Independent Directors are set out in paragraphs 14 and 16 respectively of this Part I.

##### **2. Responsibility for considering the Acquisition**

Sean Tracey, Sheena Beckwith, Keith Breslauer and Paul Orchard-Lisle are currently directors of Powerleague. Keith Breslauer is Managing Director of Patron Capital Limited, the investment adviser to Patron. Paul Orchard-Lisle is a senior adviser to Patron. Sean Tracey and Sheena Beckwith form the Management Team, participating in the Management Arrangements. In view of the current and prospective conflicts of interest for these directors in connection with the Acquisition, a committee of the board of Powerleague comprising the Independent Directors was formed to evaluate the terms of the Acquisition. Accordingly, none of Keith Breslauer, Paul Orchard-Lisle, Sean Tracey or Sheena Beckwith have taken part in the Independent Directors' decision to recommend the Acquisition.

Patron Sports Leisure is a company that is indirectly wholly owned by Patron. It currently holds 23,727,800 Powerleague Shares representing 29.0 per cent. of the existing issued share capital of Powerleague. Following the Scheme becoming Effective, Patron Sports Leisure will be jointly owned indirectly by Patron and directly by the members of the Management Team, further details of which are provided below.

### **3. The Acquisition**

Other than in relation to the Management Arrangements, the Acquisition will be effected by way of the Scheme, the full details of which are set out in Part II and Part V of this document. The Scheme requires the approval of the Scheme Shareholders and the sanction of the Court.

The Management Team Exchange Shares will be acquired by Patron Sports Leisure outside of the Scheme pursuant to the Management Arrangements. Further information on these arrangements is provided at paragraph 6 below. In addition, Sean Tracey and Sheena Beckwith (and persons connected with them) will sell 1,160,886 Powerleague Shares and 266,180 Powerleague Shares respectively pursuant to the Scheme.

Under the terms of the Scheme, which is subject to the Conditions set out in Part III of this document, Scheme Shareholders on the register of members of Powerleague at the Scheme Record Time will be entitled to receive:

**for each Scheme Share                      52 pence in cash**

The Acquisition, at a price of 52 pence per Scheme Share, represents a premium of approximately:

- 40.5 per cent. to the Closing Price of 37 pence on 7 April 2009, being the last business day prior to the date of the commencement of the Offer Period;
- 16.9 per cent. to the Closing Price of 44.5 pence on 1 October 2009, being the last business day prior to the date of the Announcement; and
- 68.6 per cent. to the average Closing Price of 30.85 pence for the six months ended 7 April 2009, being the last business day prior to the date of the commencement of the Offer Period.

The terms of the Acquisition value Powerleague's existing issued share capital at approximately £42.5 million.

The Scheme requires the Scheme Shareholders to vote in favour of the Scheme at the Court Meeting to be held at 10.00 a.m. on 9 November 2009 and the Powerleague Shareholders to vote in favour of the Special Resolution and the Independent Shareholders to vote in favour of the Ordinary Resolution, both Resolutions to be proposed at the General Meeting to be held at 10.15 a.m. on 9 November 2009. Both such meetings will be held at the offices of Osborne Clarke, One London Wall, London EC2Y 5EB. Further details of the Meetings are set out in paragraph 20 of Part II of this document.

Following the Meetings, it is expected that the Court Hearing will take place on 26 November 2009. The Effective Date is expected to be 27 November 2009.

If the Scheme becomes Effective, it will be binding on all Scheme Shareholders irrespective of whether or not they attended or voted and, if they voted, whether they voted for or against the Scheme, at the Court Meeting or the General Meeting.

Upon the Scheme becoming Effective, Powerleague will become a wholly owned subsidiary of Patron Sports Leisure and cheques in respect of the Cash Consideration will be despatched by post to Scheme Shareholders at their own risk (or the Cash Consideration will be settled through CREST, as the case may be) as soon as practicable and in any case, within 14 days of the Scheme becoming Effective.

The Explanatory Statement in compliance with section 897 of the Act is set out in Part II of this document.

### **4. Background to and reasons for the recommendation of the Acquisition by the Independent Directors**

On 8 April 2009, Patron Sports Leisure announced that it was considering its options in relation to its 29.0 per cent. shareholding in Powerleague, which included, amongst other possibilities, making an offer for the remaining shares in Powerleague which it did not already own. Subsequently, the Powerleague Board received an indicative proposal from Patron Sports Leisure to acquire the entire issued share capital of Powerleague which it did not already own.

In deciding to recommend the Acquisition, the Independent Directors have taken into account a number of factors, including the premia referred to in paragraph 3 above.

In light of the above mentioned premia and such other factors as the Independent Directors considered relevant, they believe that the terms of the Acquisition are fair and reasonable (having been so advised by Ernst & Young), take proper account of Powerleague's position within its market

and its future prospects, represent an excellent opportunity for Powerleague Shareholders to realise an attractive valuation in cash for their Powerleague Shares and should be recommended to Powerleague Shareholders. The recommendation of the Independent Directors is set out in paragraph 16 of this Part I.

#### 5. Irrevocable undertakings

Patron Sports Leisure has received from the Independent Directors and certain of their connected persons irrevocable undertakings to, amongst other things, vote (or procure the vote) in favour of the Scheme at the Court Meeting and the Resolutions at the General Meeting in respect of, in aggregate, 5,137,686 Powerleague Shares, representing approximately 6.3 per cent. of Powerleague's existing issued share capital. The undertakings given by the Independent Directors will remain binding even if a higher competing offer for Powerleague is made. They will cease to be binding if the Acquisition lapses or is withdrawn.

Patron Sports Leisure has received from the Management Team and certain of their connected persons irrevocable undertakings to, amongst other things, vote (or procure the vote) in favour of the Special Resolution at the General Meeting in respect of, in aggregate, 3,734,759 Powerleague Shares, representing approximately 4.6 per cent. of Powerleague's existing issued share capital. Patron Sports Leisure has received from Paul Orchard-Lisle an irrevocable undertaking to, amongst other things, vote (or procure the vote) in favour of the Special Resolution at the General Meeting in respect of, in aggregate, 85,000 Powerleague Shares, representing approximately 0.1 per cent. of Powerleague's existing issued share capital. The undertakings referred to in this paragraph will remain binding even if a higher competing offer for Powerleague is made. They will cease to be binding if the Acquisition lapses or is withdrawn.

Further details of these irrevocable undertakings received by Patron Sports Leisure are set out in paragraph 4 of Part II of this document and paragraph 6 of Part VI of this document.

#### 6. Management Arrangements

Following the Scheme becoming Effective, as part of the Management Arrangements, Sean Tracey and Sheena Beckwith will exchange their Management Team Exchange Shares (consisting of 2,115,385 and 192,308 Powerleague Shares respectively) for B Shares in Patron Sports Leisure. In addition, they (and their connected persons) will sell 1,160,886 Powerleague Shares and 266,180 Powerleague Shares respectively pursuant to the Scheme.

Following the completion of these arrangements, the Management Team will hold the following percentages of the entire issued share capital of Patron Sports Leisure:

<i>Name</i>	<i>Percentage of the entire issued share capital of Patron Sports Leisure</i>
Sean Tracey	2.59%
Sheena Beckwith	0.24%

As a result, following the Scheme becoming Effective, the Management Team will together hold B Shares in Patron Sports Leisure representing approximately 2.83 per cent. of its issued share capital. Patron will indirectly hold the balance of the issued share capital.

The B Shares in Patron Sports Leisure issued to the Management Team will rank *pari passu* with the A Shares indirectly held by Patron in the capital of Patron Sports Leisure, subject to an internal rate of return on investment equalisation that will provide that holders of A Shares and B Shares achieve the same IRR on their respective investments in the event of a realisation of their investment in Patron Sports Leisure.

Ernst & Young considers the terms of the Management Arrangements to be fair and reasonable so far as the Independent Shareholders are concerned.

The Management Team will continue to be employed by Powerleague once the Scheme becomes Effective.

Rule 16 of the Code states that, "except with the Panel's consent, an offeror or persons acting in concert with it, may not make any arrangements with shareholders and may not deal or enter into arrangements to deal in shares of the offeree company or enter into arrangements which involve acceptance of an offer, either during an offer period or when an offer is reasonably in contemplation,

if there are favourable conditions attached which are not being extended to all shareholders". In light of the provisions of Rule 16, the Panel has reviewed the Management Arrangements and has agreed, subject to Independent Shareholders' approval on a poll vote at the General Meeting, to allow the Acquisition to be made as currently contemplated in this document.

The Ordinary Resolution will be proposed at the General Meeting, pursuant to the Code, to approve the Management Arrangements. In accordance with the requirements of the Code, none of the Management Team, nor any of their connected parties, will be permitted to vote on the Ordinary Resolution. The Scheme is conditional, *inter alia*, upon the passing of the Ordinary Resolution.

Following the Acquisition becoming Effective, Patron Sports Leisure intends to put in place appropriate bonus arrangements for the senior management and other senior employees of the Company. These arrangements will replace the more informal arrangements that are currently in place.

It is likely that Patron Sports Leisure will put in place further incentivisation scheme(s) at a later date following the Acquisition becoming Effective. Patron Sports Leisure envisages that the incentivisation under these scheme(s) would allow the Management Team and other senior employees to participate in an element of the profit on any future sale of the Powerleague business, subject to Patron achieving a minimum IRR on its investment in the Company. The commercial terms of such arrangements (including the nature of the scheme, performance criteria and awards) are yet to be agreed.

## 7. Management and employees

The Patron Sports Leisure Board has informed the Independent Directors that, following the completion of the Acquisition, the existing employment rights, including pension rights, of all Powerleague Group employees will be fully safeguarded.

However, each of Claude Littner, Andrew Mallett and Simon Bentley have agreed to resign from the Powerleague Board, conditional upon, and with effect from, the Scheme becoming Effective.

In this regard, Claude Littner has entered into a compromise agreement with Powerleague pursuant to which, *inter alia*, Powerleague has agreed to make certain termination payments to him in connection with his ceasing to be employed by the Powerleague Group upon the Scheme becoming Effective. Claude Littner has also entered into a consultancy agreement with Powerleague, pursuant to which he will provide certain transitional consultancy services to the Powerleague Group for a six month period commencing on the Effective Date in consideration for a fee consistent with his current remuneration. Ernst & Young, which has advised the Independent Directors, considers the terms of the consultancy arrangements between Claude Littner and Powerleague referred to above to be fair and reasonable so far as Powerleague Shareholders are concerned.

In addition, each of Andrew Mallett and Simon Bentley have entered into conditional resignation letters with Powerleague pursuant to which, *inter alia*, Powerleague has agreed to make certain termination payments to them in connection with their resignations as directors of Powerleague and in consideration for the additional work performed by them in connection with the Scheme.

Further details of the arrangements with the Powerleague Directors are set out in paragraph 9.1 of Part VI of this document.

Other than as set out above, Patron Sports Leisure confirms that it has no current plans to alter existing arrangements with employees or to change the locations of the Powerleague Group's places of business.

The Independent Directors have given due consideration to Patron Sports Leisure's stated intention and assurances noted above in deciding to recommend the Acquisition.

## 8. UK Taxation

Your attention is drawn to paragraph 17 headed "UK Taxation" in Part II of this document. **If you are in any doubt about your tax position, you should consult an appropriately qualified independent professional adviser immediately.**

## 9. Powerleague Share Scheme

The performance conditions attaching to all outstanding Powerleague Options have not been satisfied and accordingly such options are incapable of being exercised. Accordingly, Patron Sports Leisure does not intend to make any proposals to holders of Powerleague Options pursuant to Rule 15 of the Code.

## **10. Cancellation of admission to trading on AIM and re-registration**

A request will be made to the London Stock Exchange prior to the Effective Date to cancel the trading in Powerleague Shares on AIM with effect from the Effective Date or shortly thereafter.

As part of the Acquisition, in addition to the cancellation of the admission to trading on AIM, it is intended that Powerleague be re-registered as a private limited company in due course.

The attention of Powerleague Shareholders is drawn to paragraph 19 of Part II of this document in relation to Patron Sports Leisure's intentions with regard to the cancellation of admission to trading on AIM of the Powerleague Shares.

## **11. Implementation Agreement and Inducement Fee Agreement**

### *The Implementation Agreement*

Powerleague and Patron Sports Leisure have entered into the Implementation Agreement, which governs, amongst other things, their relationship during the period until the Scheme becomes Effective. Amongst other things, Patron Sports Leisure and Powerleague have agreed to co-operate with regard to the process required to implement the Scheme and Powerleague has entered into certain undertakings concerning the conduct of its business during that period.

The Implementation Agreement will terminate with immediate effect in certain circumstances, including if the Scheme has not been implemented in accordance with its terms (or if an Offer is (or is to be) made by Patron Sports Leisure for all of the Scheme Shares, the Offer has not become unconditional in all respects) by 2 April 2010.

Further details of the Implementation Agreement are set out in paragraph 10 of Part VI of this document.

### *The Inducement Fee Agreement*

Powerleague and Patron Sports Leisure have also entered into the Inducement Fee Agreement under which Powerleague has agreed to pay an inducement fee to Patron Sports Leisure equal to one per cent. of the value of Powerleague calculated by reference to the Offer Price and by reference to the aggregate number of Powerleague Shares in issue. The fee will become payable if:

- (a) before the Scheme (or any substitute Offer) lapses or is withdrawn, a competing offer is announced and is either declared unconditional in all respects or is otherwise consummated, or the competing offer is recommended by any or all of the Independent Directors and the Scheme or Offer lapses or is withdrawn; or
- (b) the formal offer document or scheme document does not contain the unanimous and unqualified recommendation of the Independent Directors, or the Independent Directors withdraw, qualify or adversely modify their recommendation and the Scheme or Offer is subsequently withdrawn or lapses.

Powerleague has agreed not to pay, offer or agree to pay any work fee, inducement fee or break fee in connection with any competing offer to any third party.

The Inducement Fee Agreement also includes an undertaking that Powerleague shall discontinue any discussions which Powerleague or any member of the Powerleague Group, or any of their advisers, directors, employees or agents, may be having in relation to a competing offer and shall not, and shall procure that no other member of the Powerleague Group shall, directly or indirectly:

- (a) solicit, initiate, or otherwise seek to procure the submission of any enquiries, proposals or approaches in relation to a competing offer; and
- (b) shall as soon as reasonably practicable notify Patron Sports Leisure in writing that it has received or become aware of any unsolicited approach or potential competing offer including details of the type of transaction and certain details of the third party involved.

Further details of the Inducement Fee Agreement are set out in paragraph 10 of Part VI of this document.

## **12. Overseas Shareholders**

Persons resident in, or citizens of, jurisdictions outside the United Kingdom should refer to paragraph 16 of Part II of this document.

### 13. Structure of the Proposals

Other than in relation to the Management Arrangements the Acquisition is being effected by means of a scheme of arrangement between Powerleague and the Scheme Shareholders pursuant to the provisions of Part 26 of the Act. The Scheme involves the cancellation of the Scheme Shares by way of a Court approved reduction of capital and the application of the reserve arising from such cancellation in paying up in full a number of New Powerleague Shares which is equal to the number of cancelled Scheme Shares and issuing such shares to Patron Sports Leisure in consideration for which Powerleague Shareholders will receive the Cash Consideration.

The cancellation and the subsequent issue of New Powerleague Shares to Patron Sports Leisure and, following the Scheme becoming Effective, the transfer of the Management Team Exchange Shares to Patron Sports Leisure outside the Scheme through the Management Arrangements, will result in Powerleague becoming a wholly owned subsidiary of Patron Sports Leisure.

To become Effective, the Scheme requires, amongst other things, the approval at the Court Meeting of a majority in number representing 75 per cent. or more in value of the Scheme Shareholders present and voting, either in person or by proxy, at the Court Meeting and the passing of the Resolutions necessary to approve certain matters to give effect to the Scheme at the General Meeting. The Special Resolution requires votes in favour representing 75 per cent. or more of the votes attached to Powerleague Shares voted in respect of the Special Resolution at the General Meeting, whether in person or by proxy, and the Ordinary Resolution requires 50 per cent. or more of the votes attached to Powerleague Shares held by Independent Shareholders voted in respect of the Ordinary Resolution at the General Meeting whether in person or by proxy.

Given their interests in the Proposals, the Management Team and Paul Orchard-Lisle will not vote on the resolution to be proposed at the Court Meeting to approve the Scheme. The Management Team have nevertheless irrevocably undertaken to be bound by the Scheme. The Management Team and Paul Orchard-Lisle will, however, be entitled to vote on the Special Resolution at the General Meeting but not on the Ordinary Resolution.

Following the Court Meeting and the General Meeting and the satisfaction (or, where applicable, waiver) of the other Conditions, the Scheme must also be sanctioned by the Court and the associated Capital Reduction confirmed by the Court at the Court Hearing. The Scheme will take effect when the Court Order has been delivered to the Registrar of Companies and registered by him. If the Scheme becomes Effective, it will be binding on all Scheme Shareholders irrespective of whether they attended or voted, and if they voted, whether they voted for or against the Scheme, at the Court Meeting or the General Meeting.

**It is important that, for the Court Meeting, as many votes as possible are cast so that the Court may be satisfied that there is a fair and reasonable representation of opinion of Scheme Shareholders. You are therefore strongly urged to complete, sign and return your Forms of Proxy, for both the Court Meeting and the General Meeting, as soon as possible.**

Further details of the Scheme and the Meetings are set out in paragraph 15 of Part II of this document.

### 14. Action to be taken

Notices convening the Court Meeting and the General Meeting are set out in Parts VIII and IX of this document respectively. You will find accompanying this document a blue Form of Proxy for use at the Court Meeting and a white Form of Proxy for use at the General Meeting.

Whether or not you intend to be present at either Meeting, you are requested to complete, sign and return both the accompanying Form of Proxy for the Court Meeting (blue) and the Form of Proxy for the General Meeting (white) in accordance with the instructions printed on the respective forms.

Your attention is drawn to paragraph 20 of Part II of this document which explains in detail the action you should take in relation to the Acquisition and the Scheme, a summary of which is set out on page 5 of this document.

**If you have any questions relating to this document or the completion and return of the Forms of Proxy through CREST, please contact Computershare on 0870 707 1252 or, if telephoning from outside the United Kingdom, on +44 (0)870 707 1252 between 9.00 a.m. and 5.00 p.m. Monday to Friday, excluding public holidays. Please note that, for legal reasons, the helpline cannot provide advice on the merits of the Acquisition or give any legal, tax or financial advice.**

Further details relating to settlement are set out in paragraph 18 of Part II of this document.

**15. Further information**

Your attention is drawn to the explanatory statement from Ernst & Young set out in Part II of this document, which gives further details about the Acquisition, and to the terms of the Scheme which are set out in full in Part V of this document. Please note that the information contained in this letter is not a substitute for reading the remainder of this document.

**16. Recommendation**

**The Independent Directors, who have been so advised by Ernst & Young, consider the terms of the Acquisition to be fair and reasonable. In providing its advice, Ernst & Young has taken into account the commercial assessments of the Independent Directors.**

**Accordingly, the Independent Directors unanimously recommend that Powerleague Shareholders (to the extent they are entitled to do so) vote in favour of the Scheme at the Court Meeting and the Resolutions to be proposed at the General Meeting, as they have irrevocably undertaken to do in respect of their own (and certain connected persons') entire legal and beneficial holdings of Powerleague Shares amounting to, in aggregate, 5,137,686 Powerleague Shares, representing approximately 6.3 per cent. of Powerleague's existing issued share capital.**

Yours sincerely,

Claude Littner  
Chairman  
for and on behalf of  
the Independent Directors

## PART II

### EXPLANATORY STATEMENT

*(Explanatory statement in compliance with the provisions of section 897 of the Act)*



16 October 2009

To: *Powerleague Shareholders*

Dear Powerleague Shareholder,

#### **Recommended Acquisition by Patron Sports Leisure of Powerleague**

##### **1. Introduction**

On 8 April 2009, Patron Sports Leisure announced that it was considering its options in relation to its 29.0 per cent. shareholding in Powerleague which included, amongst other possibilities, making an offer for the remaining shares in Powerleague which it did not already own. On 2 October 2009, it was announced that the board of Patron Sports Leisure and the Independent Directors had reached agreement on the terms of a recommended cash offer for the acquisition of the entire issued and to be issued share capital of Powerleague (other than the Powerleague Shares already held by Patron Sports Leisure and the Management Team Exchange Shares) to be effected by means of a scheme of arrangement between Powerleague and its shareholders pursuant to the provisions of Part 26 of the Act.

The Acquisition values the entire existing issued share capital of Powerleague at approximately £42.5 million and values each Powerleague Share at 52 pence in cash.

**Your attention is drawn to the letter from the Chairman on behalf of the Independent Directors set out in Part I of this document, which forms part of this Explanatory Statement. That letter explains, amongst other things, why the Independent Directors, who have been so advised by Ernst & Young, consider the terms of the Acquisition to be fair and reasonable. In giving its advice, Ernst & Young has taken into account the commercial assessments of the Independent Directors. The Independent Directors unanimously recommend that (to the extent you are entitled to do so) you vote in favour of the Scheme at the Court Meeting and the Resolutions to be proposed at the General Meeting, as they have irrevocably undertaken to do in respect of their own (and certain connected persons') entire legal and beneficial holdings of Powerleague Shares amounting to, in aggregate, 5,137,686 Powerleague Shares, representing approximately 6.3 per cent. of Powerleague's existing issued share capital.**

The Independent Directors have been advised by Ernst & Young in connection with the Acquisition. Ernst & Young has been authorised by the Independent Directors to write to you to set out the terms of the Acquisition and the Scheme and to provide you with other relevant information.

Statements made or referred to in this explanatory statement which refer to the reasons for the Acquisition, to information concerning the business of the Patron Group and intentions and expectations regarding the Patron Group and the Enlarged Group, reflect the views of the Patron Sports Leisure Directors. Statements made or referred to in this explanatory statement which refer to the background to, and reasons for, recommending the Acquisition, to information concerning the business of the Powerleague Group and to intentions and expectations regarding the Powerleague Group (other than the future plans for the business described in paragraph 9 of this Part II of this document) reflect the views of the Independent Directors.

The terms of the Scheme are set out in full in Part V of this document. Your attention is also drawn to the further information contained in this document which forms part of this Explanatory Statement.

The Scheme is conditional upon the Conditions set out in Part III of this document being satisfied or (if capable of waiver) waived.

Powerleague Shareholders should read the whole of this document before deciding whether or not to vote in favour of the Scheme at the Court Meeting and the Resolutions to be proposed at the General Meeting.

## **2. Responsibility for considering the Acquisition**

Sean Tracey, Sheena Beckwith, Keith Breslauer and Paul Orchard-Lisle are currently directors of Powerleague. Keith Breslauer is Managing Director of Patron Capital Limited, the investment adviser to Patron. Paul Orchard-Lisle is a senior adviser to Patron. Sean Tracey and Sheena Beckwith form the Management Team, participating in the Management Arrangements. In view of the current and prospective conflicts of interest for these directors in connection with the Acquisition, a committee of the board of Powerleague comprising the Independent Directors was formed to evaluate the terms of the Acquisition. Accordingly, none of Keith Breslauer, Paul Orchard-Lisle, Sean Tracey or Sheena Beckwith have taken part in the Independent Directors' decision to recommend the Acquisition.

## **3. The Acquisition**

Other than in relation to the Management Arrangements, the Acquisition will be effected by way of the Scheme, the full details of which are set out in Part V of this document.

The Management Team Exchange Shares will be acquired by Patron Sports Leisure outside of the Scheme pursuant to the Management Arrangements. Further information on these arrangements is provided at paragraph 5 below. In addition, Sean Tracey and Sheena Beckwith (and persons connected with them) will sell 1,160,886 Powerleague Shares and 266,180 Powerleague Shares respectively pursuant to the Scheme.

Under the terms of the Scheme, which is subject to the Conditions set out in Part III of this document, Scheme Shareholders on the register of members of Powerleague at the Scheme Record Time will receive:

**for each Scheme Share                      52 pence in cash**

The Acquisition, at 52 pence per Scheme Share, represents a premium of approximately:

- 40.5 per cent. to the Closing Price of 37 pence on 7 April 2009, being the last business day prior to the date of the commencement of the Offer Period;
- 16.9 per cent. to the Closing Price of 44.5 pence on 1 October 2009, being the last business day prior to the date of the Announcement; and
- 68.6 per cent. to the average Closing Price of 30.85 pence for the six months ended 7 April 2009, being the last business day prior to the date of the commencement of the Offer Period.

The terms of the Acquisition value Powerleague's entire existing issued share capital at approximately £42.5 million.

The Scheme requires the Scheme Shareholders to vote in favour of the Scheme at the Court Meeting to be held at 10.00 a.m. on 9 November 2009 and the Powerleague Shareholders to vote in favour of the Special Resolution and the Independent Shareholders to vote in favour of the Ordinary Resolution to be proposed at the General Meeting to be held at 10.15 a.m. on 9 November 2009, both such meetings to be held at the offices of Osborne Clarke, One London Wall, London EC2Y 5EB. Further details of the Meetings are set out in paragraph 15.2 of Part II of this document.

Following the Meetings, it is expected that the Court Hearing will take place on 26 November 2009. The Effective Date is expected to be 27 November 2009.

If the Scheme becomes Effective, it will be binding on all Scheme Shareholders irrespective of whether or not they attended or voted and, if they voted, whether they voted for or against the Scheme, at the Court Meeting or the General Meeting.

Upon the Scheme becoming Effective, Powerleague will become a wholly owned subsidiary of Patron Sports Leisure and cheques in respect of the Cash Consideration will be despatched by post to Scheme Shareholders at their own risk (or the Cash Consideration will be settled through CREST, as the case may be) as soon as practicable and in any case, within 14 days of the Scheme becoming Effective.

#### 4. Irrevocable undertakings and letters of intent

Patron Sports Leisure has received from the Independent Directors and certain of their connected persons irrevocable undertakings to, amongst other things, vote (or procure the vote) in favour of the Scheme at the Court Meeting and the Resolutions at the General Meeting in respect of, in aggregate, 5,137,686 Powerleague Shares, representing approximately 6.3 per cent. of Powerleague's existing issued share capital. The undertakings given by the Independent Directors will remain binding even if a higher competing offer for Powerleague is made. They will cease to be binding if the Acquisition lapses or is withdrawn.

Patron Sports Leisure has received from the Management Team and certain of their connected persons irrevocable undertakings to, amongst other things, vote (or procure the vote) in favour of the Special Resolution at the General Meeting in respect of, in aggregate, 3,734,759 Powerleague Shares, representing approximately 4.6 per cent. of Powerleague's existing issued share capital. Patron Sports Leisure has received from Paul Orchard-Lisle an irrevocable undertaking to, amongst other things, vote (or procure the vote) in favour of the Special Resolution at the General Meeting in respect of, in aggregate, 85,000 Powerleague Shares, representing approximately 0.1 per cent. of Powerleague's existing issued share capital. The undertakings referred to in this paragraph will remain binding even if a higher competing offer for Powerleague is made. They will cease to be binding if the Acquisition lapses or is withdrawn.

Further details of these irrevocable undertakings received by Patron Sports Leisure are set out in paragraph 6 of Part VI of this document.

#### 5. Management Arrangements

Following the Scheme becoming Effective, as part of the Management Arrangements, Sean Tracey and Sheena Beckwith will exchange their Management Team Exchange Shares (consisting of 2,115,385 and 192,308 Powerleague Shares respectively) for B Shares in Patron Sports Leisure. In addition, they (and their connected persons) will sell 1,160,886 Powerleague Shares and 266,180 Powerleague Shares respectively pursuant to the Scheme.

Following the completion of these arrangements, the Management Team will hold the following percentages of the entire issued share capital of Patron Sports Leisure:

<i>Name</i>	<i>Percentage of the entire issued share capital of Patron Sports Leisure</i>
Sean Tracey	2.59%
Sheena Beckwith	0.24%

As a result, following the Scheme becoming Effective, the Management Team will together hold B Shares in Patron Sports Leisure representing approximately 2.83 per cent. of its issued share capital. Patron will indirectly hold the balance of the issued share capital.

The B Shares in Patron Sports Leisure issued to the Management Team will rank *pari passu* with the A Shares indirectly held by Patron in the capital of Patron Sports Leisure, subject to an internal rate of return on investment equalisation that will provide that holders of A Shares and B Shares achieve the same IRR on their respective investments in the event of a realisation of their investment in Patron Sports Leisure.

Ernst & Young considers the terms of the Management Arrangements to be fair and reasonable so far as the Independent Shareholders are concerned.

The Management Team will continue to be employed by Powerleague once the Scheme becomes Effective.

Rule 16 of the Code states that, "except with the Panel's consent, an offeror or persons acting in concert with it, may not make any arrangements with shareholders and may not deal or enter into arrangements to deal in shares of the offeree company or enter into arrangements which involve

acceptance of an offer, either during an offer period or when an offer is reasonably in contemplation, if there are favourable conditions attached which are not being extended to all shareholders". In light of the provision of Rule 16, the Panel has reviewed the Management Arrangements and has agreed, subject to Independent Shareholders' approval on a poll vote at the General Meeting, to allow the Acquisition to be made as currently contemplated in this document.

The Ordinary Resolution will be proposed at the General Meeting, pursuant to the Code, to approve the Management Arrangements. In accordance with the requirements of the Code, none of the Management Team, nor any of their connected parties, will be permitted to vote on the Ordinary Resolution. The Scheme is conditional, *inter alia*, upon the passing of the Ordinary Resolution.

Following the Acquisition becoming Effective, Patron Sports Leisure intends to put in place appropriate bonus arrangements for the senior management of the Company and other senior employees. These arrangements will replace the more informal arrangements that are currently in place.

It is likely that Patron Sports Leisure will put in place further incentivisation scheme(s) at a later date following the Acquisition becoming Effective. Patron Sports Leisure envisages that the incentivisation under these scheme(s) would allow the Management Team and other senior employees to participate in an element of the profit on any future sale of the Powerleague business, subject to Patron achieving a minimum IRR on its investment in the Company. The commercial terms of such arrangements (including the nature of the scheme, performance criteria and awards) are yet to be agreed.

## **6. Information relating to Powerleague**

The Powerleague business was established in December 1999 as the result of a merger between Powerplay Soccer Centres Limited and Anchor International Limited, both of which were 3i investee companies. In August 2003, Claude Littner led a buyout of the Powerleague business from 3i.

Powerleague was admitted to trading on AIM in May 2005 and now operates 44 five-a-side football centres across the UK, offering customers the option of competitive league matches, corporate tournaments and social matches. In February 2008, Powerleague acquired the Soccer Domes business of JJB Sports plc, the third largest five-a-side football operator in the UK, for a maximum consideration of £17.4m in cash. The Soccer Domes centres acquired from JJB Sports plc have since been successfully integrated and they are making a positive contribution to profits.

In March 2008, Powerleague entered into a strategic partnership with Patron Sports Leisure which gave Powerleague access to Patron Capital's experience in property, retail and leisure. As part of this strategic partnership, Patron Sports Leisure acquired a 29.0 per cent. holding in Powerleague.

## **7. Current trading and prospects of Powerleague**

On 2 October 2009, Powerleague reported total revenue of £30.9 million and adjusted operating profit before exceptional items of £7.5 million as part of its preliminary results for the year ended 4 July 2009. Net assets as at 4 July 2009 were £23.1 million.

Since 4 July 2009, Powerleague's trading has been in line with the Powerleague Board's expectations.

## **8. Information relating to Patron Sports Leisure and Patron**

Patron Sports Leisure is a Luxembourg incorporated company (registered number B 137.187). Its registered address is 6, avenue Pasteur, L-2310 Luxembourg. Patron Sports Leisure is a wholly owned subsidiary of Patron Sports Holding S.a.r.l. which itself is a wholly owned subsidiary of Patron Investments III S.a.r.l.. Patron Investments III S.a.r.l. is a wholly owned subsidiary of Patron.

Upon the Scheme becoming Effective, Patron will indirectly hold 97.17 per cent. of the issued share capital of Patron Sports Leisure and 2.83 per cent. will be held by the Management Team.

Patron Sports Leisure has not traded since the date of its incorporation other than acquiring its 29.0 per cent. holding in Powerleague, nor has it entered into any obligations other than in connection with the Proposals and the financing of the Proposals.

The directors of Patron Sports Leisure are Geraldine Schmit and Michael Vandeloise.

Patron Capital represents approximately €1.7 billion of capital across several funds and related co-investments ("Patron Funds"), investing in property, corporate operating entities whose value is primarily supported by property assets, as well as distressed debt and credit-related businesses. The investors in the Patron Funds represent a variety of universities, institutions, private foundations and

high net worth individuals in the United States and Europe. Since 1999, the Patron Funds have made more than 55 investments in 12 countries and together with its partners have owned over €5bn in gross assets.

Patron Capital Limited is the investment adviser to the Patron Funds. Patron Capital Limited was established in 1999 by its managing director Keith M. Breslauer. Keith has 22 years' experience in property and corporate finance. Patron Capital Limited is based in London with associated offices in Barcelona, Milan, Dreieich (Germany) and Luxembourg and a team of over 55 people, with over 30 investment professionals.

Patron Capital aims to combine an institutional approach to fund management and reporting, while continuing to embrace an entrepreneurial culture. Patron Capital favours the backing of management teams and co-investing with its pan-European network of local partners who are familiar with the local market through joint venture structures. Many of Patron Capital's private equity investments have backed existing management teams and achieved significant growth of the investee businesses and their employee bases.

In the UK, Patron Capital has focused on supporting management teams in their growth strategies and has invested in operating businesses that are significantly supported by assets as well as in direct properties. Examples of Patron Capital backed management buyout transactions include;

- the management buyout of one of the largest UK sub-prime mortgage lender where Patron Capital supported the management team to grow a 430 employee business to over £1.5 billion in assets;
- the management buyout of the leading UK independent multi-site bulk liquid and gas storage and handling facilities operator and manager within the oil and chemical industry, where again Patron Capital backed the management team of this 425 employee business to facilitate the expansion of the business to continental Europe and expansion into new business areas; and
- more recently, the management buyout of the operator of some of the largest backpacker hostels in Europe, headquartered in the UK, with a staff of approximately 150 employees, where Patron Capital is currently engaged in a rapid roll out strategy establishing new youth hostels in other key European cities.

Other significant UK investments comprise over 900,000 sq. ft. of office, retail and industrial property across the country with principal assets in Birmingham, Croydon, Sheffield, Manchester and Leeds. In summary, Patron Capital believes it has a strong track record in supporting management teams and their employees, having employed over 1,000 people at acquisition across its investments to date, which it increased substantially through the successful execution of its growth strategies.

#### **9. Background to and reasons for the Acquisition and intentions for Powerleague**

Due to the significant deterioration in the economy, combined with market illiquidity, Patron Sports Leisure believes that Powerleague's growth prospects are best served away from the constraints of the public market where it can access a wider range of funding options to finance its growth than are currently available to Powerleague as a public company. In addition, the current debt markets are very constrained, thus limiting the growth prospects of the Powerleague Group further. Patron Sports Leisure believes that under private ownership, and with the continued support of Patron, Powerleague will be better positioned to convert its pipeline of potential sites and achieve its full potential.

#### **10. Management and employees**

The Patron Sports Leisure Board has informed the Independent Directors that, following the completion of the Acquisition, the existing employment rights, including pension rights, of all Powerleague Group employees will be fully safeguarded.

However, each of Claude Littner, Andrew Mallett and Simon Bentley have agreed to resign from the Powerleague Board, conditional upon, and with effect from, the Scheme becoming Effective.

In this regard, Claude Littner has entered into a compromise agreement with Powerleague pursuant to which, *inter alia*, Powerleague has agreed to make certain termination payments to him in connection with his ceasing to be employed by the Powerleague Group upon the Scheme becoming Effective. Claude Littner has also entered into a consultancy agreement with Powerleague, pursuant to which he will provide certain transitional consultancy services to the Powerleague Group for a six month period commencing on the Effective Date in consideration for a fee consistent with his current remuneration. Ernst & Young, which has advised the Independent Directors, considers the terms of the consultancy arrangements between Claude Littner and Powerleague referred to above to be fair and reasonable so far as Powerleague Shareholders are concerned.

In addition, each of Andrew Mallett and Simon Bentley have entered into conditional resignation letters with Powerleague pursuant to which, *inter alia*, Powerleague has agreed to make certain termination payments to them in connection with their resignations as directors of Powerleague and in consideration for the additional work performed by them in connection with the Scheme.

Further details of the arrangements with the Independent Directors are set out in paragraph 9.1 of Part VI of this document.

Other than as set out above, Patron Sports Leisure confirms that it has no current plans to alter existing arrangements with employees or to change the locations of the Powerleague Group's places of business.

#### **11. Directors and the effect of the Scheme on their interests**

Details of the interests of the Powerleague Directors in the share capital of Powerleague are set out in paragraph 4 of Part VI of this document. Powerleague Shares held by all of the Independent Directors and Paul Orchard-Lisle at the Scheme Record Time will be subject to the Scheme. Save as set out in this document, the effect of the Scheme on the interests of the Independent Directors and Paul Orchard-Lisle does not differ from its effect on the like interest of any other person.

The effect of the Scheme on the interests of the Management Team (and persons connected with them) will differ in that the Management Team Exchange Shares will not be subject to the Scheme. Patron Sports Leisure has agreed to acquire the Management Team Exchange Shares outside of the Scheme pursuant to the Management Arrangements. Further details of the Management Arrangements are set out in paragraph 5 of this Part II. In addition, Sean Tracey and Sheena Beckwith (and persons connected with them) will sell 1,160,886 Powerleague Shares and 266,180 Powerleague Shares respectively pursuant to the Scheme.

Details of irrevocable undertakings, provided by the Powerleague Directors in relation to the Acquisition are set out in paragraph 4 of this Part II above.

Details of the service contracts (including the termination provisions and payments) and letters of appointment of the Independent Directors are set out in paragraph 9.1 of Part VI of this document.

#### **12. Powerleague Share Scheme**

The performance conditions attaching to all outstanding Powerleague Options have not been satisfied and accordingly such options are incapable of being exercised. Accordingly, Patron Sports Leisure does not intend to make any proposals to holders of Powerleague Options pursuant to Rule 15 of the Code.

#### **13. Financing of the Proposals**

Financing for the Proposals will be provided by approximately £29 million of equity funding from Patron and £1.2 million from the Management Team for B Shares in Patron Sports Leisure. No third party debt will be used in this regard.

Repayment of Powerleague's existing third party borrowing facilities will be provided by £36 million of senior debt facilities and a revolving credit facility of £2 million which are being arranged and underwritten by HSBC Bank plc and Lloyds Banking Group.

Altium, as financial adviser to Patron Sports Leisure, is satisfied that sufficient resources are available to Patron Sports Leisure to satisfy in full the Cash Consideration payable to Powerleague Shareholders under the terms of the Acquisition.

#### **14. Implementation Agreement and Inducement Fee Agreement**

##### ***The Implementation Agreement***

Powerleague and Patron Sports Leisure have entered into the Implementation Agreement, which governs, amongst other things, their relationship during the period until the Scheme becomes Effective. Amongst other things, Patron Sports Leisure and Powerleague have agreed to co-operate with regard to the process required to implement the Scheme and Powerleague has entered into certain undertakings concerning the conduct of its business during that period.

The Implementation Agreement will terminate with immediate effect in certain circumstances, including if the Scheme has not been implemented in accordance with its terms (or if an Offer is (or is to be) made by Patron Sports Leisure for all of the Scheme Shares, the Offer has not become unconditional in all respects) by 2 April 2010.

### ***The Inducement Fee Agreement***

Powerleague and Patron Sports Leisure have also entered into the Inducement Fee Agreement under which Powerleague has undertaken, amongst other things, to pay an inducement fee to Patron Sports Leisure equal to one per cent. of the value of Powerleague calculated by reference to the Offer Price and by reference to the aggregate number of Powerleague Shares in issue. The fee will become payable if:

- (a) before the Scheme (or any substitute Offer) lapses or is withdrawn, a competing offer is announced and is either declared unconditional in all respects or is otherwise consummated, or the competing offer is recommended by any or all of the Independent Directors and the Scheme or Offer lapses or is withdrawn; or
- (b) the formal offer document or scheme document does not contain the unanimous and unqualified recommendation of the Independent Directors, or the Independent Directors withdraw, qualify or adversely modify their recommendation and the Scheme or Offer is subsequently withdrawn or lapses.

Powerleague has agreed not to pay, offer or agree to pay any work fee, inducement fee or break fee in connection with any competing offer to any third party.

The Inducement Fee Agreement also includes an undertaking that Powerleague shall discontinue any discussions which Powerleague or any member of the Powerleague Group, or any of their advisers, directors, employees or agents may be having in relation to a competing offer and shall not, and shall procure that no other member of the Powerleague Group shall, directly or indirectly:

- (a) solicit, initiate or otherwise seek to procure the submission of any enquiries, proposals or approaches in relation to a competing offer; and
- (b) shall as soon as reasonably practicable notify Patron Sports Leisure in writing that it has received or become aware of any unsolicited approach or potential competing offer including details of the type of transaction and details of the third party involved.

Further details of the Implementation Agreement and the Inducement Fee Agreement are set out in paragraph 10 of Part VI of this document.

## **15. The Scheme**

### **15.1 Introduction**

Other than in relation to the Management Arrangements the Acquisition is being effected by means of a scheme of arrangement between Powerleague and the Scheme Shareholders pursuant to the provisions of Part 26 of the Act, details of which are set out in full in Part V of this document.

The purpose of the Scheme and the Management Arrangements is to enable Patron Sports Leisure to become the owner of the entire issued and to be issued share capital of Powerleague. This is to be achieved by the cancellation of the Scheme Shares held by Scheme Shareholders by way of a reduction of capital approved by the Court and the application of the reserve arising from such cancellation in paying up in full a number of New Powerleague Shares (which is equal to the number of Powerleague Shares cancelled) and issuing them to Patron Sports Leisure and/or its nominee(s), in consideration for which holders of Scheme Shares will receive cash on the basis set out in paragraph 3 of this Part II. The New Powerleague Shares will then be held by Patron Sports Leisure (and/or its nominees) fully paid and free from all liens, equitable interests, charges, encumbrances and other third party rights of any nature whatsoever and together with all rights now or hereafter attaching thereto. Following the Scheme becoming Effective, the Management Team Exchange Shares will be transferred to Patron Sports Leisure under the Management Arrangements.

To become Effective, the Scheme will require, amongst other things, the approval at the Court Meeting of a majority in number representing 75 per cent. or more in value of the Scheme Shareholders present and voting, either in person or by proxy, at the Court Meeting and the passing of the Resolutions necessary to approve certain matters to give effect to the Scheme at the General Meeting. The Special Resolution requires votes in favour representing 75 per cent. or more of the votes attached to Powerleague Shares voted at the General Meeting, whether in person or by proxy, and the Ordinary Resolution requires a majority of the votes attached to Powerleague Shares held by Independent Shareholders voted at the General Meeting whether in person or by proxy.

Given their interests in the Proposals, the Management Team and Paul Orchard-Lisle will not vote on the resolution to be proposed at the Court Meeting to approve the Scheme. The Management Team have nevertheless irrevocably undertaken to be bound by the Scheme. The Management Team and Paul Orchard-Lisle will, however, be entitled to vote on the Special Resolution at the General Meeting but not on the Ordinary Resolution.

Following the Court Meeting and the General Meeting and the satisfaction (or, where applicable, waiver) of the other Conditions, the Scheme must also be sanctioned by the Court and the associated Capital Reduction confirmed by the Court at the Court Hearing. The Scheme will take effect when the Court Order has been delivered to the Registrar of Companies and registered by him. If the Scheme becomes Effective, it will be binding on all Scheme Shareholders irrespective of whether they attended or voted, and if they voted, whether they voted for or against the Scheme, at the Court Meeting or the General Meeting.

The last day of dealings in, and for registration of transfers of, Powerleague Shares will be the business day before the Court Hearing and is expected to be 25 November 2009.

Prior to the Scheme becoming Effective, an application will be made to the London Stock Exchange for the Powerleague Shares to cease to be admitted to trading on AIM. It is expected that this will take effect on the Effective Date or shortly thereafter.

On the Effective Date, share certificates in respect of Scheme Shares will cease to be valid and should be destroyed. In addition, on the Effective Date, entitlements to Scheme Shares held within the CREST system will be cancelled.

Save for the issue of New Powerleague Shares to Patron Sports Leisure pursuant to the Scheme, Powerleague will not issue any shares after the Scheme Record Time until after the Effective Date.

## 15.2 The Meetings

The Scheme is subject to the satisfaction (or waiver (if capable of waiver)) of the Conditions set out in Part III of this document. To become Effective, the Scheme will also require approval by Scheme Shareholders at the Court Meeting, the passing of the Special Resolution by Powerleague Shareholders and the passing of the Ordinary Resolution by Independent Shareholders at the General Meeting.

Notices of the Court Meeting and the General Meeting are set out in Parts VIII and IX of this document respectively. Save as set out below, all holders of Powerleague Shares whose names appear on the register of members of Powerleague at the Voting Record Time or, if either the Court Meeting or the General Meeting are adjourned, on the register of members at 6.00 p.m. on the date two days before the date set for the adjourned Meeting, shall be entitled to attend and vote at the relevant Meeting in respect of the number of Powerleague Shares registered in their name at the relevant time.

### *The Court Meeting*

The Court Meeting, which has been convened for 10.00 a.m. on 9 November 2009, is being held at the direction of the Court to seek the approval of Scheme Shareholders for the Scheme (with or without modification).

At the Court Meeting, voting will be by way of poll and not on a show of hands and each Scheme Shareholder present in person or by proxy will be entitled to one vote for each Scheme Share held. Scheme Shareholders have the right to raise any objections they may have to the Scheme at the Court Meeting. The Scheme must be approved by a majority in number of those Scheme Shareholders present and voting, either in person or by proxy, representing 75 per cent. or more in value of all Scheme Shares held by such Scheme Shareholders. The result of the poll will be posted on Powerleague's website.

**It is important that, for the Court Meeting, as many votes as possible are cast so that the Court may be satisfied that there is a fair and reasonable representation of Scheme Shareholder opinion. You are therefore strongly urged to complete and return your blue Form of Proxy for use at the Court Meeting as soon as possible and in any event so as to be received by no later than 10.00 a.m. on 7 November 2009 and to complete and return your white Form of Proxy for use at the General Meeting as soon as possible and in any event so as to be returned by no later than 10.15 a.m. on 7 November 2009 (or in the case of an adjourned meeting, not less than 48 hours prior to the time and date set for the adjourned meeting). Detailed instructions on the action to be taken are set out in paragraph 20 of this Part II.**

As a result of its interest in the Acquisition, Patron Sports Leisure will be precluded from voting at the Court Meeting in respect of its Powerleague Shares, and therefore the Powerleague Shares held by it will not count towards the majority required to approve the Scheme. Patron Sports Leisure will, however, be entitled to vote at the General Meeting.

Given their interests in the Proposals, the Management Team and Paul Orchard-Lisle will not vote on the resolution to be proposed at the Court Meeting to approve the Scheme. The Management Team have nevertheless irrevocably undertaken to be bound by the Scheme. The Management Team and Paul Orchard-Lisle will, however, be entitled to vote on the Special Resolution at the General Meeting but not on the Ordinary Resolution.

You will find the notice of the Court Meeting set out in Part VIII of this document.

Scheme Shareholders are entitled to appoint a proxy in respect of some or all of their Scheme Shares at the Court Meeting. Scheme Shareholders are also entitled to appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares (so a Scheme Shareholder must have more than one Scheme Share to be able to appoint more than one proxy). A space has been included in the blue Form of Proxy to allow Scheme Shareholders entitled to attend and vote at the Court Meeting to specify the number of Scheme Shares in relation to which that proxy is appointed. Scheme Shareholders who return a blue Form of Proxy and who specify a number which exceeds the number of Scheme Shares held by the Scheme Shareholder when totalled with the number specified on other proxy appointments by the same Scheme Shareholder, will render all appointments invalid.

Scheme Shareholders who wish to appoint more than one proxy in respect of their shareholding should complete a separate Form of Proxy for each proxy appointed. Such Scheme Shareholders should read the information regarding the appointment of multiple proxies set out on page 5 of this document and the related notes contained in the blue Form of Proxy. Further copies of the blue Form of Proxy may be obtained from Computershare on 0870 707 1252 (from within the UK) or on +44 (0) 870 707 1252 (from outside the UK) or photocopies of the blue Form of Proxy may be taken.

#### *The General Meeting*

The General Meeting has been convened for 10.15 a.m. on 9 November 2009 (or as soon thereafter as the Court Meeting has been concluded or adjourned), to consider and, if thought fit, pass the Resolutions. The Special Resolution (which requires votes in favour representing 75 per cent. or more of the votes attached to Powerleague Shares voted at the General Meeting, whether in person or by proxy) has been proposed to approve various provisions necessary to implement the Scheme, including:

- (a) the Capital Reduction;
- (b) subject to the Capital Reduction taking effect, the increase in Powerleague's share capital by the creation of a number of New Powerleague Shares equal to the number of Scheme Shares so cancelled and the application of the resulting reserve in the books of account of Powerleague in paying up in full the New Powerleague Shares;
- (c) the granting of authority to the Powerleague Directors pursuant to section 551 of the Companies Act 2006 to allot the New Powerleague Shares to Patron Sports Leisure in accordance with the terms of the Scheme; and
- (d) certain amendments to Powerleague's Articles as described below.

It is proposed that the Articles be amended so as to ensure that any Powerleague Shares issued at or after the adoption of the amended Articles but before the Scheme Record Time will be subject to the terms of the Scheme and that any Powerleague Shares issued on or after the Scheme Record Time (other than to Patron Sports Leisure and/or its nominees) will automatically be transferred to, or purchased by, Patron Sports Leisure on the same terms as the Acquisition. This amendment will avoid any person (other than Patron Sports Leisure) holding shares in the capital of Powerleague after the Effective Date.

Voting on the Special Resolution will be on a show of hands unless a poll is demanded. The chairman of the General Meeting reserves his right to demand that the vote of Powerleague Shareholders be held by way of a poll and, in such event, each Powerleague Shareholder present in person or voting by proxy will be entitled to one vote for every Powerleague Share held.

The Ordinary Resolution has been proposed, pursuant to the Code, to approve the terms of the Management Arrangements. In accordance with the requirements of the Code, the vote on the Ordinary Resolution will take place on a poll, where each Independent Shareholder will be entitled to one vote for every Powerleague Share held. None of the Management Team or Paul Orchard-Lisle, nor any of their connected parties, will be permitted to vote on the Ordinary Resolution.

You will find the notice of the General Meeting set out in Part IX to this document. The quorum for the General Meeting will be two or more Powerleague Shareholders present in person or by proxy. Detailed instructions on the action to be taken are set out in paragraph 20 of this Part II.

Powerleague Shareholders are entitled to appoint a proxy in respect of some or all of their Powerleague Shares at the General Meeting. Powerleague Shareholders are also entitled to appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares (so a Powerleague Shareholder must have more than one Powerleague Share to be able to appoint more than one proxy). A space has been included in the white Form of Proxy to allow Powerleague Shareholders entitled to attend and vote at the General Meeting to specify the number of Powerleague Shares in relation to which that proxy is appointed. Powerleague Shareholders who return a white Form of Proxy and who specify a number which exceeds the number of Powerleague Shares held by the Powerleague Shareholder when totalled with the number specified on other proxy appointments by the same Powerleague Shareholder, will render all appointments invalid.

Powerleague Shareholders who wish to appoint more than one proxy in respect of their shareholding should complete a separate Form of Proxy for each proxy appointed. Such Powerleague Shareholders should read the information regarding the appointment of multiple proxies set out on page 5 of this document and the related notes contained in the white Form of Proxy. Further copies of the white Form of Proxy may be obtained from Computershare on 0870 707 1252 (from within the UK) or on +44 (0) 870 707 1252 (from outside the UK) or photocopies of the white Form of Proxy may be taken.

### **15.3 The Court Hearing**

Under the Act, the Scheme also requires the sanction of the Court. There will be one combined Court Hearing in order to sanction the Scheme and to confirm the Capital Reduction.

The Court Hearing is expected to be held on 26 November 2009 at the Royal Courts of Justice, The Strand, London WC2A 2LL. All Powerleague Shareholders are entitled to attend the Court Hearing in person or through counsel to support or oppose the sanctioning of the Scheme and the associated Capital Reduction. Patron Sports Leisure has confirmed that it will be represented by counsel at the Court Hearing so as to consent to the Scheme and to undertake to the Court to be bound thereby.

The Scheme will become effective in accordance with its terms on the delivery of an office copy of the Court Order to, and the registration of the Court Order (together with the Statement of Capital attached thereto) by, the Registrar of Companies. This is expected to occur on or around 27 November 2009.

If the Scheme becomes Effective, it will be binding on all Scheme Shareholders irrespective of whether or not they attended or voted in favour of the Scheme at the Court Meeting or in favour of the Resolutions at the General Meeting.

Unless the Scheme becomes Effective on or before 2 April 2010 or such later date, if any, as Powerleague and Patron Sports Leisure may agree and the Panel and the Court may allow, the Scheme will not become Effective and the Acquisition will not proceed.

### **15.4 Modifications to the Scheme**

The Scheme contains a provision for Powerleague and Patron Sports Leisure jointly to consent on behalf of all persons affected to any modification of, or addition to, the Scheme or to any condition approved or imposed by the Court. The Court would be unlikely to approve any modification of, or addition to, or impose a condition to the Scheme which might be material to the interests of the Scheme Shareholders unless Scheme Shareholders were informed of any such modification, addition or condition. It would be a matter for the Court to decide, in its discretion, whether or not a further meeting of Scheme Shareholders should be held in these circumstances. Similarly, if a modification, addition or condition is put forward which, in the opinion of the Independent Directors, is of such a nature or importance that it requires the consent of Scheme Shareholders to a further meeting, the Independent Directors will not take the necessary steps to enable the Scheme to become Effective unless and until such consent is obtained.

## **15.5 Alternative means of implementing the Acquisition**

Patron Sports Leisure has reserved the right (subject to the consent of the Panel) to implement the Acquisition by way of an Offer at any time before the Scheme becomes Effective, or following its withdrawal, in which case additional documents will be despatched to Powerleague Shareholders. In such event, the Offer will (subject to the Panel and unless otherwise agreed) be implemented on the same terms (subject to appropriate amendments, including (without limitation) the inclusion of an acceptance condition set at 90 per cent. of the shares to which such Offer relates (or such lesser percentage as Patron Sports Leisure may determine, provided that such lesser percentage would result in Patron Sports Leisure holding Powerleague Shares carrying in aggregate more than 50 per cent. of the voting rights then normally exercisable at general meetings of Powerleague)), so far as applicable as those which would apply to the implementation of the Acquisition by means of the Scheme.

## **15.6 Section 593 valuation**

As at 15 October 2009 (the last business day prior to the publication of this document), Patron Sports Leisure held or controlled 23,727,800 Powerleague Shares and Patron Sports Leisure will be a Powerleague Shareholder on the Effective Date. Accordingly, there will be no requirement under section 593 of the Act for an independent valuation of the New Powerleague Shares to be allotted to Patron Sports Leisure or any member of the Patron Group under the Scheme.

## **15.7 Conditions to the Acquisition**

The Acquisition and, accordingly, the Scheme are subject to a number of conditions set out in full in Part III of this document. In summary, the implementation of the Scheme is conditional upon, amongst other things:

- (a) the approval of the Scheme by a majority in number representing 75 per cent. or more in value of the holders of Scheme Shares, present and voting, either in person or by proxy, at the Court Meeting, or any adjournment thereof;
- (b) the Resolutions set out in the notice of the General Meeting being passed by the requisite majority at the General Meeting, or any adjournment thereof;
- (c) the sanction of the Scheme and the confirmation of the Capital Reduction by the Court and, (in either case, with or without modifications on terms agreed by Patron Sports Leisure and Powerleague) an office copy of the Court Order being delivered for registration to the Registrar of Companies and the registration of the Court Order (together with the Statement of Capital attached thereto) confirming the Capital Reduction with the Registrar of Companies; and
- (d) the other Conditions (set out in Part III of this document) which are not otherwise summarised in sub-paragraphs (a) to (c) above being satisfied (or waived (if capable of waiver)).

## **16. Overseas Shareholders**

The implications of the Scheme and the Acquisition for Overseas Shareholders may be affected by the laws of jurisdictions outside the United Kingdom. Overseas Shareholders should inform themselves about, and observe, any applicable legal requirements. It is the responsibility of any Overseas Shareholders to satisfy themselves as to the full observance of the laws and regulatory requirements of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, the compliance with other necessary formalities and the payment of any issue, transfer or other taxes or duties or payments due in such jurisdiction.

This document has been prepared for the purposes of complying with English law, the Code and the AIM Rules and the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws and regulations of any jurisdiction outside of England and Wales.

**Powerleague Shareholders who are citizens or residents of the United States or other jurisdictions outside of the United Kingdom should consult their own legal and tax advisers with respect to the legal and tax consequences of the Scheme in their particular circumstances.**

## **17. UK Taxation**

### **17.1 General**

**The following paragraphs, which are intended as a general guide only, are based on current UK legislation and HM Revenue & Customs practice in force at the date of this document. They summarise certain limited aspects of the UK taxation consequences of the Acquisition and implementation of the Scheme and relate only to the position of Scheme Shareholders who hold their Scheme Shares**

beneficially as an investment, unless otherwise indicated, and who are resident and, in the case of individuals, ordinarily resident in the UK for taxation purposes at all relevant times. The tax position of certain categories of Scheme Shareholders who are subject to special rules (such as persons acquiring their shares in connection with employment, dealers in securities, insurance companies and collective investment schemes) is not considered. If you are in any doubt as to your taxation position, or if you are subject to taxation in any jurisdiction other than the UK, you should consult an appropriate professional adviser without delay.

## **17.2 UK taxation of chargeable gains**

The receipt by Scheme Shareholders of cash under the Scheme should, generally, be treated as a disposal of their Scheme Shares which may, depending on the Scheme Shareholders' particular circumstances (including the availability to them of exemptions, reliefs or allowable losses), give rise to a liability to UK tax on chargeable gains.

### **(a) Individual Scheme Shareholders**

The receipt of cash under the Scheme by an individual Scheme Shareholder may, depending on their individual circumstances, give rise to a chargeable gain or allowable loss for the purposes of the UK taxation of chargeable gains. A Scheme Shareholder who is an individual and who is temporarily non-resident in the UK for taxation purposes may, under anti-avoidance legislation, still be liable to UK taxation on a chargeable gain realised upon the receipt of cash under the Scheme during the period when he is non-resident.

For the tax year 2009 – 2010, a single rate of capital gains tax of 18 per cent. applies. The capital gains tax annual exemption (which is £10,100 for the tax year 2009 – 2010) may be available to offset any chargeable gain (to the extent it has not been utilised). No indexation allowance or taper relief will be available to individual Scheme Shareholders.

### **(b) Corporate Scheme Shareholders**

For Scheme Shareholders within the charge to UK corporation tax (but which do not qualify for the substantial shareholdings exemption in respect of their Scheme Shares), indexation allowance should normally be available in respect of the full period of ownership of the Scheme Shares to reduce any chargeable gain arising (but not create or increase any allowable loss) on the disposal of their Scheme Shares.

## **17.3 Stamp duty and stamp duty reserve tax**

No stamp duty or SDRT will be payable by holders of Scheme Shares as a result of the Scheme.

## **18. Settlement**

Subject to the Scheme becoming Effective and except with the consent of the Panel, settlement of the Cash Consideration to which any Powerleague Shareholder is entitled under the Scheme will be effected in the manner set out below.

### **18.1 Scheme Shares held in uncertificated form**

Where at the Scheme Record Time, a Scheme Shareholder holds Scheme Shares in uncertificated form they will receive any Cash Consideration to which they are entitled through CREST by Patron Sports Leisure procuring the creation of an assured payment obligation in favour of the appropriate CREST account through which the relevant Scheme Shareholder holds such uncertificated shares in respect of the Cash Consideration due to him. The creation of such an assured payment arrangement shall be a complete discharge of the obligations of Patron Sports Leisure under the Scheme with reference to payments made through CREST. Settlement of the Cash Consideration will be paid through CREST within 14 days after the Effective Date, in accordance with CREST payment arrangements.

As from the Scheme Record Time, each holding of Scheme Shares credited to any stock account in CREST will be disabled and all Scheme Shares will be removed from CREST in due course.

Patron Sports Leisure reserves the right to pay all or any part of the Cash Consideration referred to above to all or any Scheme Shareholder(s) who holds Scheme Shares in uncertificated form at the Scheme Record Time in the manner referred to in sub-paragraph 18.2 of this Part II if for any reason outside its control it is not able to effect settlement in accordance with this sub-paragraph.

### **18.2 Scheme Shares held in certificated form**

Where at the Scheme Record Time a Powerleague Shareholder holds Powerleague Shares in certificated form, settlement of the Cash Consideration will be made in pounds sterling by cheque drawn on a branch of a clearing bank in the United Kingdom.

Settlement of any Cash Consideration due under the Scheme in respect of Powerleague Shares held in certificated form will be despatched:

- (a) by first class post, by cheque drawn on a branch of a UK clearing bank; or
- (b) by such other method as may be approved by the Panel.

All such cash payments (whether in respect of Powerleague Shares in uncertificated or certificated form) shall be made in pounds sterling. Payments made by cheque shall be payable to the holders of the Powerleague Shares concerned. Cheques shall be despatched as soon as practicable after the Effective Date and in any event within 14 days of the Effective Date. All deliveries of cheques required to be made pursuant to the Scheme shall be effected by posting the same day by first class post in pre-paid envelopes addressed to the persons entitled thereto at their respective addresses as appearing in the register of members of Powerleague at the Scheme Record Time or, in the case of joint holders, at the address of that one of the joint holders whose name stands first in such register in respect of such joint holding at such time or in accordance with any special instructions regarding communications, and neither Patron Sports Leisure nor Powerleague shall be responsible for any loss or delay in the transmission of cheques sent in this way and such cheques shall be sent at the risk of the person entitled thereto.

On the Effective Date, each certificate representing a holding of Powerleague Shares subject to the Scheme will be cancelled and share certificates for such shares will cease to be valid and should be destroyed.

### **18.3 General**

All documents and remittances sent through the post will be sent at the risk of the person(s) entitled thereto.

Except with the consent of the Panel, settlement of the consideration to which any Scheme Shareholder is entitled under the Scheme will be implemented in full in accordance with the terms of the Scheme free of any lien, right of set-off, counterclaim or other analogous right to which Patron Sports Leisure may otherwise be, or claim to be, entitled against such shareholder.

Mandates in force at the Effective Date relating to the payment of dividends and other instructions given by Scheme Shareholders in respect of their Scheme Shares will be deemed revoked as from the Effective Date.

### **19. Cancellation of admission to trading on AIM and re-registration**

Unless the Meetings are adjourned, the last day of dealings in, and for registration of transfers of, Powerleague Shares will be the day before the Court Hearing, which is expected to take place on 26 November 2009, following which Powerleague Shares will be suspended from trading on AIM. No transfers of Powerleague Shares will be registered after this date, other than the registration of New Powerleague Shares issued in accordance with the Scheme.

A request will be made to the London Stock Exchange to cancel the trading in Powerleague Shares on AIM with effect from the Effective Date or shortly thereafter.

On the Effective Date, share certificates in respect of Powerleague Shares will cease to be valid. In addition, on the Effective Date, entitlements to Scheme Shares held within the CREST system will be cancelled.

As part of the Acquisition, in addition to the cancellation of the admission to trading on AIM, it is also intended that Powerleague be re-registered as a private limited company in due course.

### **20. Action to be taken**

#### **20.1 The Court Meeting and the General Meeting**

You will find accompanying this document:

- a blue Form of Proxy for use at the Court Meeting; and
- a white Form of Proxy for use at the General Meeting.

**Whether or not you intend to attend the Court Meeting and/or the General Meeting, you are requested to complete and sign the accompanying blue and white Forms of Proxy and return them in accordance with the instructions printed thereon. Completed Forms of Proxy should be returned to Computershare at Computershare Investors Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZZ as soon as**

**possible and, in any event, so as to be received by no later than 10.00 a.m. on 7 November 2009 for the Court Meeting and 10.15 a.m. on 7 November 2009 for the General Meeting (or in the case of an adjourned meeting, not less than 48 hours prior to the time and date set for the adjourned meeting).**

This will enable your votes to be counted at the Meetings in your absence. If the blue Form of Proxy for use at the Court Meeting is not returned by such time, it may be handed to Computershare, on behalf of the chairman of the Court Meeting, at the Court Meeting before the taking of the poll and will still be valid. However, in the case of the white Form of Proxy for the General Meeting, it will be invalid unless it is returned to Computershare at Computershare Investors Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZZ, so as to be received no later than 10.15 a.m. on 7 November 2009.

If you hold your Powerleague Shares in uncertificated form, you may vote using the CREST voting service in accordance with the procedures set out in the CREST Manual (please also refer to the notes for the notices of the Court Meeting and the General Meeting set out in Parts VIII and IX of this document respectively). Proxies submitted through CREST (under CREST participant ID 3RA50) must be received by Computershare by no later than 10.00 a.m. on 7 November 2009 in the case of the Court Meeting and by 10.15 a.m. on 7 November 2009 in the case of the General Meeting (or in the case of an adjourned meeting, not less than 48 hours prior to the time and date set for the adjourned meeting).

Completion and return of the Forms of Proxy will not preclude Powerleague Shareholders from attending and voting in person at either the Court Meeting or the General Meeting, or any adjournment thereof, should they so wish and should they be so entitled.

Powerleague Shareholders are entitled to appoint a proxy in respect of some or all of their Scheme Shares. Powerleague Shareholders are also entitled to appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares (so a Powerleague Shareholder must have more than one Scheme Share to be able to appoint more than one proxy). A space has been included in the Forms of Proxy to allow Powerleague Shareholders entitled to attend and vote at the relevant Meeting to specify the number of Scheme Shares in relation to which that proxy is appointed. Powerleague Shareholders who return a Form of Proxy and who specify a number which exceeds the number of Scheme Shares held by the Powerleague Shareholder when totalled with the number specified on other proxy appointments by the same Powerleague Shareholder, will render all appointments invalid.

Powerleague Shareholders who wish to appoint more than one proxy in respect of their shareholding should complete a separate Form of Proxy for each proxy appointed. Further copies of the Forms of Proxy may be obtained from Computershare on 0870 707 1252 (from within the UK) or on +44 (0) 870 707 1252 (from outside the UK) or photocopies of the Forms of Proxy may be taken.

**It is important that, for the Court Meeting, as many votes as possible are cast so that the Court may be satisfied that there is a fair and reasonable representation of opinion of Scheme Shareholders. You are therefore strongly urged to complete, sign and return your Forms of Proxy, for both the Court Meeting and the General Meeting, as soon as possible.**

Notices convening the Court Meeting and the General Meeting are set out in Parts VIII and IX of this document respectively.

## **21. Helpline**

If you have any questions relating to this document, the Court Meeting, the General Meeting, the Acquisition or the Scheme or are in any doubt about the completion and return of the Forms of Proxy, please contact Computershare on 0870 707 1252 or, if telephoning from outside the United Kingdom, on +44 870 707 1252 between 9.00 a.m. and 5.00 p.m. Monday to Friday (excluding public holidays). Please note that calls to these numbers may be monitored or recorded and that, for legal reasons, the helpline cannot provide advice on the merits of the Acquisition or give any legal, tax or financial advice.

**22. Further information**

Your attention is drawn to the terms of the Scheme which are set out in full in Part V of this document. Your attention is also drawn to the further information contained in this document which forms part of this Explanatory Statement.

Yours sincerely,

Tim Medak  
Partner  
for and on behalf of  
Ernst & Young

## PART III

### CONDITIONS TO AND FURTHER TERMS OF THE IMPLEMENTATION OF THE ACQUISITION

The Acquisition is conditional upon the Scheme becoming unconditional and becoming Effective by no later than 2 April 2010, or such later date as Powerleague and Patron Sports Leisure may, with the consent of the Panel, agree and (if required) the Court approves.

The Acquisition is governed by English law and is subject to the jurisdiction of the English courts, to the Conditions, to the terms set out in this document and to the applicable requirements of the Code, the Panel and the London Stock Exchange.

1. The Scheme is conditional upon:
  - (a) the approval of the Scheme by a majority in number representing 75 per cent. or more in value of Scheme Shareholders, present and voting, either in person or by proxy, at the Court Meeting (or at any adjournment of such meeting);
  - (b) the Resolutions set out in the notice of the General Meeting being duly passed by the requisite majority at the General Meeting (or any adjournment of such meeting); and
  - (c) the sanction of the Scheme and the confirmation of the Capital Reduction by the Court (in either case, with or without modifications on terms agreed by Patron Sports Leisure and Powerleague) and an office copy of the Court Order and the Statement of Capital of such Capital Reduction attached thereto being delivered for registration to the Registrar of Companies and, in relation to the Capital Reduction, being registered by the Registrar of Companies.
2. In addition, Patron Sports Leisure and Powerleague have agreed that, subject as stated in paragraph 3 below, the Scheme will also be conditional upon, and, accordingly, application to the Court to sanction the Scheme and to confirm the Capital Reduction will only be made upon, conditions 1(a) and 1(b) above having been fulfilled and provided that immediately prior to the hearing to sanction the Scheme, the following conditions (as amended, if appropriate) are satisfied or waived (if capable of waiver) as referred to below:
  - 2.1 no Third Party having decided to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference, or having enacted, made or proposed any statute, regulation, decision or order, or having required any action to be taken or otherwise having done any thing which would or might reasonably be expected to (in each case to an extent which is or might reasonably be expected to be material in the context of the Powerleague Group taken as a whole or otherwise in the context of the Acquisition):
    - (a) make the Acquisition, the Scheme or its implementation, or the acquisition or proposed acquisition by Patron Sports Leisure or any other member of the Patron Group of any shares or other securities in, or control or management of, Powerleague or any other member of the Powerleague Group void, illegal or unenforceable in any jurisdiction, or otherwise directly or indirectly restrain, prevent, prohibit, restrict, interfere, frustrate or delay the same or impose additional conditions or obligations with respect to the Acquisition, the Scheme or such acquisition or proposed acquisition, or otherwise impede, challenge or interfere with the Acquisition, the Scheme or such acquisition or proposed acquisition, or require amendment to the terms of the Acquisition or the Scheme or such acquisition or proposed acquisition;
    - (b) limit or delay, or impose any limitations on, the ability of any member of the Patron Group or any member of the Powerleague Group to acquire or to hold or to exercise effectively, directly or indirectly, all or any rights of ownership in respect of shares or other securities in, or to exercise voting or management control over, any member of the Powerleague Group;
    - (c) require, prevent or delay the divestiture or alter the terms envisaged for any proposed divestiture by any member of the Patron Group of any shares or other securities in Powerleague;
    - (d) require, prevent or delay the divestiture or alter the terms envisaged for any proposed divestiture by any member of the Patron Group or by any member of the Powerleague Group of all or any portion of their respective businesses, assets or properties or limit the ability of any of them to conduct any of their respective businesses or to own or control any of their respective assets or properties or any part thereof;

- (e) require any member of the Patron Group or of the Powerleague Group to acquire, or to offer to acquire, any shares or other securities (or the equivalent) or any other interest in any member of either the Patron Group or the Powerleague Group owned by any third party (other than in the implementation of the Acquisition);
- (f) limit the ability of any member of the Patron Group or of the Powerleague Group to conduct its business, or any part of it, or to integrate or co-ordinate its business, or any part of it, with the businesses or any part of the businesses of any other member of the Patron Group or of the Powerleague Group;
- (g) result in any member of the Patron Group or the Powerleague Group ceasing to be able to carry on business under any name under which it presently does so; or
- (h) otherwise adversely affect any or all of the business, assets, profits, financial or trading position or prospects of any member of the Powerleague Group or of the Patron Group,

and all applicable waiting and other time periods during which any Third Party could take, institute, implement or threaten any such action, proceeding, suit, investigation, enquiry or reference or enact, make or propose any such statute, regulation, decision or order or require any such action to be taken or do any other such thing having expired, lapsed or been terminated;

- 2.2 all notifications and filings which are necessary or are considered appropriate by Patron Sports Leisure having been made, all appropriate waiting and other time periods (including any extensions of such waiting and other time periods) under any applicable legislation or regulation of any relevant jurisdiction having expired, lapsed or been terminated (as appropriate) and all statutory or regulatory obligations and requirements in any relevant jurisdiction having been complied with in each case in connection with the Acquisition, the Scheme or the acquisition or proposed acquisition of any shares or other securities in, or control or management of, Powerleague or any other member of the Powerleague Group by Patron Sports Leisure or any other member of the Patron Group or the carrying on by any member of the Powerleague Group of its business;
- 2.3 all authorisations, orders, grants, negotiations, recognitions, confirmations, licences, certificates, consents, clearances, permissions and approvals (“authorisations”) which are required by law or regulation or are otherwise reasonably considered desirable or appropriate by Patron Sports Leisure in any relevant jurisdiction for or in respect of the Acquisition, the Scheme or the acquisition or proposed acquisition of any shares or other securities in, or control or management of Powerleague (or any other member of the Powerleague Group) by Patron Sports Leisure (or any other member of the Patron Group) or the carrying on by any member of the Powerleague Group of its business having been obtained, in terms and in a form reasonably satisfactory to Patron Sports Leisure, from all appropriate Third Parties or from any persons or bodies with whom Powerleague (or any other member of the Powerleague Group) has entered into contractual arrangements and all such authorisations remaining in full force and effect and there being no written notice or intimation of any intention to revoke, withhold, withdraw, suspend, restrict, modify or not to renew any of the same and in each such case where the absence of such authorisation would have a material and adverse effect on the Powerleague Group as a whole or is otherwise material in the context of the Acquisition;
- 2.4 save as Disclosed, there being no provision of any arrangement, agreement, lease, licence, permit, franchise or other instrument to which any member of the Powerleague Group is a party, or by or to which any such member or any of its assets is or are or may be bound, entitled or subject or any circumstance, which, in each case as a consequence of the Acquisition, the Scheme or the acquisition or proposed acquisition of any shares or other securities in, or control of, Powerleague (or any other member of the Powerleague Group) by Patron Sports Leisure (or any other member of the Patron Group) or otherwise, could or might reasonably be expected to result in (to an extent which is material and adverse in the context of the Powerleague Group as a whole) or is otherwise material in the context of the Acquisition:
  - (a) any such arrangement, agreement, lease, licence, permit, franchise or instrument, or the rights, liabilities, obligations or interests of Powerleague or any other member of the Powerleague Group thereunder, being, or becoming capable of being, terminated or adversely modified or affected or any adverse action being taken or any additional, extended or onerous obligation or liability arising thereunder;
  - (b) any monies borrowed by or any other indebtedness or liabilities (actual or contingent) of, or any grant available to, any member of the Powerleague Group being or becoming repayable or capable of being declared repayable immediately or prior to its stated maturity or repayment

date or the ability of any member of the Powerleague Group to borrow monies or incur any indebtedness being withdrawn or inhibited or becoming capable of being withdrawn or inhibited;

- (c) the creation or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property, assets or interests of any member of the Powerleague Group or any such mortgage, charge or other security interest (wherever created, arising or having arisen) becoming enforceable;
- (d) any asset or interest of any member of the Powerleague Group being or falling to be disposed of or charged or ceasing to be available to any member of the Powerleague Group or any right arising under which any such asset or interest could be required to be disposed of or charged or could cease to be available to any member of the Powerleague Group;
- (e) any member of the Powerleague Group ceasing to be able to carry on business under any name under which it presently does so;
- (f) the creation of any liabilities (actual or contingent) by any member of the Powerleague Group other than in the ordinary course of trading;
- (g) the rights, liabilities, obligations or interests of any member of the Powerleague Group under any such arrangement, agreement, lease, licence, permit, franchise or other instrument or the interests or business of any such member in or with any other person, firm, company or body (or any arrangement or arrangements relating to any such interests or business) being terminated or adversely modified, amended, varied or otherwise affected;
- (h) the financial or trading position or prospects or the value of any member of the Powerleague Group being materially prejudiced or adversely affected; or

any liability of any member of the Powerleague Group to make any severance, termination, bonus or other payment to any of its directors, officers, or senior executives,

and no event having occurred which, under any provision of any such arrangement, agreement, lease, licence, permit or other instrument, would or might reasonably be expected to result in any of the events or circumstances which are referred to in paragraph 2.4(a) to paragraph 2.4(h) (inclusive) of this Condition 2.4;

2.5 save as Disclosed, no member of the Powerleague Group having since 4 July 2009:

- (a) save for any options or Powerleague Shares issued pursuant to the exercise of options granted under the Powerleague Share Scheme or otherwise pursuant to the Scheme, issued or agreed to issue, or authorised or proposed the issue or grant of, additional shares of any class, or securities convertible into or exchangeable for, or rights, warrants or options to subscribe for or acquire, any such shares or convertible securities, or transferred or sold any shares out of treasury other than as between Powerleague and wholly-owned subsidiaries of Powerleague;
- (b) purchased or redeemed or repaid any of its own shares or other securities or reduced or made any other change to any part of its share capital;
- (c) recommended, declared, paid or made any bonus, dividend or other distribution whether payable in cash or otherwise (other than to Powerleague or a wholly-owned subsidiary of Powerleague);
- (d) save as between Powerleague and its wholly-owned subsidiaries, made or authorised any change in its loan capital;
- (e) save as between wholly-owned subsidiaries of Powerleague or between Powerleague and any of its wholly-owned subsidiaries, merged with, demerged or acquired any body corporate, partnership or business or (other than an acquisition or disposal in the ordinary course of trading) acquired or disposed of or transferred, mortgaged, charged or created any security interest over any assets or any right, title or interest in any assets (including shares in any undertaking and trade investments) or authorised the same;
- (f) save as between wholly-owned subsidiaries of Powerleague or between Powerleague and any of its wholly-owned subsidiaries, issued or authorised the issue of, or made any change in or to, any debentures or (other than in the ordinary course of trading business or as otherwise reasonably required to finance the development of the Powerleague Group's site at Yardley and

in Central London near Regent's Park) incurred or increased any indebtedness or liability (actual or contingent) to an extent which is material in the context of the Powerleague Group as a whole;

- (g) entered into, varied, or authorised any agreement, transaction, arrangement or commitment (whether in respect of capital expenditure or otherwise) which:
  - (i) is of a long term, onerous or unusual nature or magnitude or which could involve an obligation of such nature or magnitude which in any such case is material in the context of the Powerleague Group as a whole; or
  - (ii) is likely to be restrictive to the business of any member of the Powerleague Group or which is or could involve obligations which would or might reasonably be expected to be so restrictive; or
  - (iii) is other than in the ordinary course of business;
- (h) entered into, implemented, effected or authorised any merger, demerger, reconstruction, amalgamation, scheme, commitment or other transaction or arrangement in respect of itself or another member of the Powerleague Group;
- (i) terminated or varied the terms of any agreement or arrangement between any member of the Powerleague Group and any other person in a manner which would or might reasonably be expected to have a material adverse effect on the financial position or the prospects of the Powerleague Group as a whole;
- (j) entered into or varied the terms of any contract, agreement or arrangement with any of the directors or senior executives of any member of the Powerleague Group;
- (k) taken any corporate action or had any legal proceedings instituted or threatened against it or petition presented or order made for its winding-up (voluntarily or otherwise), dissolution or reorganisation or for the appointment of a receiver, administrator, administrative receiver, trustee or similar officer of all or any part of its assets and revenues or any analogous proceedings in any jurisdiction or appointed any analogous person in any jurisdiction;
- (l) 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;
- (m) waived or compromised any claim other than in the ordinary course of business;
- (n) made any alteration to its memorandum or articles of association;
- (o) made or agreed or consented to any change to:
  - (i) the terms of the trust deeds constituting the pension scheme(s) established for its directors, employees or their dependants; or
  - (ii) the benefits which accrue or to the pensions which are payable thereunder; or
  - (iii) the basis on which qualification for, or accrual or entitlement to, such benefits or pensions are calculated or determined; or
  - (iv) the basis upon which the liabilities (including pensions) of such pension schemes are funded or made; or
  - (v) the trustees including the appointment of a trust corporation;
- (p) proposed, agreed to provide or modified in any respect the terms of any share option scheme, incentive scheme or other benefit relating to the employment or termination of employment of any person employed by the Powerleague Group which individually is or collectively are material in the context of the Powerleague Group taken as a whole or is otherwise material in the context of the Acquisition; or
- (q) entered into any agreement, commitment or arrangement or passed any resolution or made any offer (which remains open for acceptance) or proposed or announced any intention with respect to any of the transactions, matters or events referred to in this Condition 2.5;

2.6 save as Disclosed, since 4 July 2009:

- (a) there having been no material adverse change or material deterioration in the business, assets, financial or trading position or profits or prospects of the Powerleague Group;
- (b) no contingent or other liability of any member of the Powerleague Group having arisen or become apparent or increased which might be reasonably likely to have a material adverse effect on the Powerleague Group taken as a whole;
- (c) no litigation, arbitration proceedings, prosecution or other legal proceedings to which any member of the Powerleague Group is or may become a party (whether as claimant, defendant or otherwise) having been threatened, announced, implemented or instituted by or against or remaining outstanding against or in respect of any member of the Powerleague Group which is or might reasonably be expected to be material in the context of the Powerleague Group as a whole;
- (d) (other than as a result of the Acquisition) no enquiry or investigation by, or complaint or reference to, any Third Party having been threatened, announced, implemented or instituted against or remaining outstanding against or in respect of any member of the Powerleague Group which is or might reasonably be expected to be material in the context of the Powerleague Group as a whole; and
- (e) no steps having been taken or event having occurred which might reasonably be expected to result in the withdrawal, cancellation, termination or modification of any licence or permit held by any member of the Powerleague Group which is necessary or desirable for the proper carrying on of its business;

2.7 Patron Sports Leisure not having discovered:

- (a) that any financial or business or other information concerning the Powerleague Group disclosed at any time by or on behalf of any member of the Powerleague Group, whether publicly, to any member of the Patron Group or to any of their advisers or otherwise, is materially misleading or contains any material misrepresentation of fact or omits to state a fact necessary to make any information contained therein not materially misleading and which was not subsequently corrected prior to the date hereof by being Disclosed;
- (b) that, save as disclosed, any member of the Powerleague Group is subject to any liability (actual or contingent) which is not disclosed in Powerleague's preliminary results for the financial year ended 4 July 2009 as announced on 2 October 2009 through a Regulatory Information Service which is material in the context of the Powerleague Group taken as a whole; or
- (c) any information not already Disclosed which affects the import of any information previously disclosed by or on behalf of any member of the Powerleague Group, whether publicly, to any member of the Patron Group or to any of their advisers or otherwise to an extent which is material in the context of the Powerleague Group taken as a whole or is otherwise material in the context of the Acquisition;

2.8 Patron Sports Leisure not having discovered, save as Disclosed:

- (a) that any past or present member of the Powerleague Group has not complied with any applicable legislation or regulations of any jurisdiction with regard to the use, treatment, handling, storage, transport, release, disposal, discharge, spillage, leak or emission of any waste or hazardous substance or any substance likely to impair the environment or harm human or animal health, or otherwise relating to environmental matters or the health and safety of any person, or that there has otherwise been any such use, treatment, handling, storage, transport, release, disposal, discharge, spillage, leak or emission (whether or not this constituted a non-compliance by any person with any legislation or regulations and wherever the same may have taken place) which, in any case, would be likely to give rise to any liability (whether actual or contingent and whether civil or criminal) or cost on the part of any member of the Powerleague Group in each such case which is material in the context of the Powerleague Group as a whole or is otherwise material in the context of the Acquisition; or
- (b) that there is, or is likely to be, any liability, whether actual or contingent, for any member of the Powerleague Group to make good, repair, reinstate or clean up or otherwise assume responsibility for any property now or previously owned, occupied or made use of by any past or present member of the Powerleague Group or any other property or any controlled waters under any environmental legislation, regulation, notice, circular, order or other lawful

requirement of any relevant authority or third party or otherwise in each such case which is material in the context of the Powerleague Group as a whole or is otherwise material in the context of the Acquisition.

3. Subject to the requirements of the Panel or the Court, Patron Sports Leisure reserves the right to waive, in whole or in part, all or any of the Conditions except, save in the circumstances set out in paragraph 6 below, for Condition 1. Patron Sports Leisure shall be under no obligation to waive (if capable of waiver) or treat as fulfilled any of Conditions 2.1 to 2.8 by a date earlier than the latest date for the fulfilment of that Condition notwithstanding that the other Conditions of the Acquisition may at such earlier date have been waived or fulfilled and that there are at such earlier date no circumstances indicating that any such Conditions may not be capable of fulfilment.
4. If Patron Sports Leisure is required by the Panel to make an offer or offers for the Powerleague Shares under the provisions of Rule 9 of the Code, Patron Sports Leisure may make such alterations to the terms and conditions of the Acquisition as may be necessary to comply with the provisions of that Rule.
5. The Acquisition will lapse and the Scheme will not proceed if, before the date of the Meetings, (i) the Acquisition, or any matter arising from it, is referred to in the Competition Commission; or (ii) following a request to the European Commission under Article 22(3) of Council Regulation 139/2004/EC (the “**Regulation**”) in relation to the Acquisition or any part of it, which request is accepted by the European Commission, the European Commission initiates proceedings under Article 6(1)(c) of the Regulation.
6. Patron Sports Leisure reserves the right, with the consent of the Panel, to elect to implement the Acquisition by way of an Offer. In such event, such Offer will be implemented on the same terms (subject to appropriate amendments, including (without limitation) an acceptance condition set at 90 per cent. of the shares to which the Offer relates (or such lesser percentage as Patron Sports Leisure may determine, provided that such lesser percentage would result in Patron Sports Leisure holding Powerleague Shares carrying in aggregate more than 50 per cent. of the voting rights then normally exercisable at general meetings of Powerleague)), so far as applicable, as those which would apply to the Scheme.
7. The availability of the Acquisition to persons not resident in the United Kingdom may be affected by the laws of the relevant jurisdiction. Persons who are not resident in the United Kingdom should inform themselves about and observe any applicable requirements.

## PART IV

### FINANCIAL INFORMATION ON POWERLEAGUE

The following table sets out financial information in respect of Powerleague as required by Rule 24.2(e) of the Code. References in the first column are to Rule 24.2(a) of the Code, referring to information required to be set out in accordance with Rule 24.2(e). The documents referred to in the table, the contents of which have previously been announced through a Regulatory Information Service, are incorporated into this document by reference:

<b>Code Reference</b>	<b>Information</b>	<b>Reference</b>
24.2(a)(i)	<i>For the last 3 financial years for which the information has been published, turnover, net profit or loss before and after taxation, the charge for tax, extraordinary items, minority interests, the amount absorbed by dividends and earnings and dividends per share.</i>	<p><a href="http://www.powerleague.co.uk/financial_reports.html">http://www.powerleague.co.uk/financial_reports.html</a></p> <p>Click on the link "Annual Report and Financial Statements 2008"</p> <p>The Powerleague Group income statement on Page 20 of the report provides the information for the financial years ended 28 June 2008 and 30 June 2007.</p> <p>Click on the link "Annual Report and Financial Statements 2007"</p> <p>The Powerleague Group income statement on Page 21 of the report provides the information for the financial years ended 30 June 2007 and 1 July 2006.</p>
24.2(a)(ii)	<i>A statement of the assets and liabilities shown in the last published audited accounts.</i>	<p><a href="http://www.powerleague.co.uk/financial_reports.html">http://www.powerleague.co.uk/financial_reports.html</a></p> <p>Click on the link "Annual Report and Financial Statements 2008"</p> <p>The Powerleague Group balance sheet appears on Page 21 and provides this information.</p>
24.2(a)(iii)	<i>A cash flow statement if provided in the last published audited accounts.</i>	<p><a href="http://www.powerleague.co.uk/financial_reports.html">http://www.powerleague.co.uk/financial_reports.html</a></p> <p>Click on the link "Annual Report and Financial Statements 2008"</p> <p>The Powerleague Group cash flow statement appears on Page 22.</p>
24.2(a)(v)	<i>Turnover, net profit or loss before and after taxation, the charge for tax, extraordinary items, minority interests, the amount absorbed by dividends and earnings and dividends per in respect of any interim statement or preliminary announcement made since the last published audited accounts.</i>	<p><a href="http://www.powerleague.co.uk/financial_reports.html">http://www.powerleague.co.uk/financial_reports.html</a></p> <p>Click on the link "Half Yearly Report March 2009"</p> <p>The Group income statement on Page 5 provides this information.</p> <p>Click on the link "Preliminary Results for the year ended 4 July 2009"</p> <p>The Group income statement on page 9 provides this information.</p>
24.2(a)(vii) and (viii)	<i>Significant accounting policies together with any points from the notes to the accounts which are of major relevance to an appreciation of the figures.</i>	<p><a href="http://www.powerleague.co.uk/financial_reports.html">http://www.powerleague.co.uk/financial_reports.html</a></p> <p>Click on the link "Annual Report and Financial Statements 2008"</p> <p>Pages 25-29, note 2, provides details of the accounting policies applied to the financial statements for the year ended 28 June 2008.</p> <p>Click on the link "Annual Report and Financial Statements 2007"</p> <p>Pages 26-29, note 2, provides details of the accounting policies applied to the financial statements for the year ended 30 June 2007.</p> <p>Click on the link "Annual Report and Financial Statements 2006"</p> <p>Pages 25-26, note 1, provides details of the accounting policies applied to the financial statements for the year ended 1 July 2006.</p>

The information above has not been published in inflation adjusted form.

Powerleague will provide within two business days, without charge, to each person to whom a copy of this document has been sent, upon their written or verbal request, a copy of any information incorporated by reference in this document. Copies of any information incorporated by reference in this document will not be provided unless such a request is made.

**Requests for any such copies should be directed to Computershare Investor Services PLC, The Pavillions, Bridgwater Road, Bristol, BS99 6ZZ or by calling Computershare on telephone number 0870 707 1252 (or +44 (0)870 707 1252 from outside of the UK) on Monday to Friday (excluding public holidays).**

## PART V

### THE SCHEME OF ARRANGEMENT

IN THE HIGH COURT OF JUSTICE  
CHANCERY DIVISION  
COMPANIES COURT

No. 19426 of 2009

IN THE MATTER OF POWERLEAGUE GROUP PLC

and

IN THE MATTER OF THE COMPANIES ACT 2006

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SCHEME OF ARRANGEMENT  
(under Part 26 of the Companies Act 2006)

BETWEEN

POWERLEAGUE GROUP PLC

AND

THE HOLDERS OF  
THE SCHEME SHARES  
(as defined below)

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### PRELIMINARY

(A) In this Scheme, unless inconsistent with the subject or context, the following expressions bear the following meanings:

“Acquisition”	the proposed acquisition by Patron Sports Leisure of the entire issued and to be issued share capital of Powerleague (other than the Powerleague Shares already held by Patron Sports Leisure and the Management Team Exchange Shares) pursuant to this Scheme
“Act”	the Companies Act 2006 (as amended or re-enacted)
“business day”	a day (excluding Saturdays, Sundays and public holidays) on which banks are open for business in the City of London
“Capital Reduction”	the proposed reduction of the share capital of Powerleague involving the cancellation and the extinguishing of the Scheme Shares pursuant to this Scheme under section 641 of the Act as described in this document
“Cash Consideration”	the cash consideration due to a Scheme Shareholder under clause 2 of this Scheme
“certificated” or “in certificated form”	where a share or other security is not in uncertificated form (that is, not in CREST)
“Code”	the City Code on Takeovers and Mergers, issued by the Panel
“Court”	the High Court of Justice in England and Wales
“Court Hearing”	the hearing by the Court of the claim form for the sanctioning of the Scheme and to confirm the Capital Reduction under section 648 of the Act

<b>“Court Meeting”</b>	the meeting of the Scheme Shareholders to be convened pursuant to an order of the Court pursuant to section 896 of the Act and to be held at the offices of Osborne Clarke, One London Wall, London EC2Y 5EB at 10.00 a.m on 9 November 2009 for the purposes of considering and, if thought fit, approving this Scheme (with or without amendment) notice of which is set out in Part VIII of the Scheme Document and any adjournment of such meeting
<b>“Court Order”</b>	the order of the court sanctioning the Scheme under section 899 of the Act and confirming the Capital Reduction under section 648 of the Act
<b>“CREST”</b>	the relevant system (as defined in the CREST Regulations) of which Euroclear is the Operator (as defined in the CREST Regulations)
<b>“CREST Regulations”</b>	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755)
<b>“Effective Date”</b>	the date on which this Scheme becomes effective in accordance with clause 5 of this Scheme
<b>“Euroclear”</b>	Euroclear UK & Ireland Limited, a company incorporated under the laws of England and Wales
<b>“Excluded Shares”</b>	any Powerleague Shares which are registered in the name of or beneficially owned by Patron Sports Leisure or its nominee(s) at the relevant time and the Management Team Exchange Shares
<b>“holder”</b>	a registered holder of shares, including any person entitled by transmission
<b>“Management Team Exchange Shares”</b>	the 2,307,693 Powerleague Shares which Patron Sports Leisure has conditionally agreed to purchase from Sean Paul Tracey and Sheena Marion Beckwith outside of the Scheme
<b>“members”</b>	members of Powerleague on the register of members at any relevant date
<b>“New Powerleague Shares”</b>	the new ordinary shares of 10 pence each in the capital of Powerleague proposed to be allotted and issued to Patron Sports Leisure credited as fully paid pursuant to clause 1 of this Scheme
<b>“Panel”</b>	the UK Panel on Takeovers and Mergers
<b>“Patron”</b>	Patron Capital L.P. III
<b>“Patron Sports Leisure”</b>	Patron Sports Leisure S.a.r.l., a company indirectly owned by Patron
<b>“Powerleague”</b>	Powerleague Group plc (incorporated in England and Wales under the Companies Act 1985 with registered number 5384840), whose registered office is at Powerleague Mill Hill, Pursley Road, Mill Hill, London NW7 2BB
<b>“Powerleague Shareholders”</b>	holders of Powerleague Shares
<b>“Powerleague Shares”</b>	ordinary shares of 10 pence each in the issued share capital of Powerleague
<b>“pounds”, “£”, “Sterling”, “pence” and “p”</b>	the lawful currency of the United Kingdom
<b>“Registrar of Companies”</b>	the Registrar of Companies in England and Wales, within the meaning of the Act

<b>“Scheme”</b>	this scheme of arrangement proposed to be made under Part 26 of the Act between Powerleague and the Scheme Shareholders to implement the Acquisition, with or subject to any modification or addition or condition approved or imposed by the Court and/or agreed by Powerleague and Patron Sports Leisure
<b>“Scheme Document”</b>	the document dated 16 October 2009 sent by Powerleague to the Powerleague Shareholders, of which this Scheme forms part
<b>“Scheme Record Time”</b>	6.00 p.m. on the business day immediately prior to the Court Hearing
<b>“Scheme Shareholder”</b>	a holder of a Scheme Share
<b>“Scheme Shares”</b>	Powerleague Shares: <ul style="list-style-type: none"> <li>(i) in issue at the date of the Scheme Document;</li> <li>(ii) issued after the date of the Scheme Document, but before the Voting Record Time; and</li> <li>(iii) issued at or after the Voting Record Time but before the Scheme Record Time on terms that the original or any subsequent holders are bound by the Scheme or in respect of which such holders shall have agreed in writing to be so bound,</li> </ul> <p>in each case, other than any Excluded Shares</p>
<b>“send”, “sent” or “sending” or similar expression</b>	in relation to any document, announcement or other information, includes distribution in hard copy form, electronic form or publication on a website in such manner as shall be permitted by the Code or otherwise with the Panel’s consent
<b>“Statement of Capital”</b>	the statement of capital (approved by the Court) showing, as altered by the Court Order, the information required by section 649 of the Act with respect to Powerleague’s share capital
<b>“UK” or “United Kingdom”</b>	the United Kingdom of Great Britain and Northern Ireland
<b>“uncertificated” or in “uncertificated form”</b>	in respect of a share or other security, where that share or other security is recorded on the relevant register of the share or security concerned as being held in uncertificated form in CREST and title to which may be transferred by means of CREST
<b>“Voting Record Time”</b>	6.00 p.m. on 7 November 2009 being the day which is two days before the date of the Court Meeting or, if such Court Meeting is adjourned, 6.00 p.m. on the day which is two days before the date of such adjourned meeting
(A)	As at 15 October 2009, the authorised share capital of Powerleague was £20,000,000, divided into 200,000,000 ordinary shares of 10 pence each, of which 81,820,000 have been issued and credited as fully paid and the remainder are unissued.
(B)	As at 15 October 2009, 26,035,493 of the issued Powerleague Shares were Excluded Shares, 23,727,800 being held by Patron Sports Leisure and/or its nominees and 2,307,693 being Management Team Exchange Shares.
(C)	Patron Sports Leisure and the holders of the Management Team Exchange Shares have agreed to appear by Counsel on the hearing of the claim form to sanction this Scheme, and to submit to be bound by and to undertake to the Court to be bound by this Scheme.

## THE SCHEME

### 1. Cancellation of the Scheme Shares

- 1.1 The share capital of Powerleague shall be reduced by cancelling and extinguishing all of the Scheme Shares.
- 1.2 Subject to and forthwith upon the reduction of capital referred to in sub-clause 1.1 above taking effect:
- (a) the authorised share capital of Powerleague shall be increased to its former amount by the creation of such number of New Powerleague Shares as is equal to the number of Scheme Shares cancelled pursuant to sub-clause 1.1; and
  - (b) the reserve arising in the books of account of Powerleague as a result of the Capital Reduction shall be capitalised and applied in paying up in full at par the New Powerleague Shares created pursuant to sub-clause 1.2(a) which shall be allotted and issued (free from all liens, charges, encumbrances, rights of pre-emption and any other third party rights of any nature whatsoever) credited as fully paid to Patron Sports Leisure and/or its nominee(s) (as Patron Sports Leisure may direct).

### 2. Consideration for the cancellation of the Scheme Shares

In consideration of the cancellation of the Scheme Shares pursuant to sub-clause 1.1 and the allotment and issue of New Powerleague Shares to Patron Sports Leisure and/or its nominee(s) (as Patron Sports Leisure may direct) in respect of such Scheme Shares pursuant to sub-clause 1.2, Patron Sports Leisure will pay to (subject as hereinafter provided), or for the account of, each holder of Scheme Shares 52 pence in cash for each Scheme Share held by that holder (as appearing on the register of members of Powerleague at the Scheme Record Time).

### 3. Settlement

3.1 Not more than 14 days after the Effective Date, Patron Sports Leisure shall pay the Cash Consideration required to be paid to give effect to this Scheme and to the persons respectively entitled thereto, such consideration to be settled as set out in sub-clause 3.2 below.

3.2 Settlement of the Cash Consideration shall be effected as follows:

- (a) in the case of Scheme Shares which at the Scheme Record Time are held in certificated form, Patron Sports Leisure shall despatch or procure the despatch to each of the relevant Scheme Shareholders or as they may direct, in accordance with the provisions of sub-clauses 3.3 and 3.4 of this Scheme, cheques for the Cash Consideration payable to them respectively in accordance with clause 2; or
- (b) in the case of Scheme Shares which at the Scheme Record Time are held in uncertificated form, Patron Sports Leisure shall procure the making of a CREST assured payment obligation in favour of the appropriate CREST account through which the relevant Scheme Shareholder holds such uncertificated Scheme Shares in respect of the Cash Consideration due to him provided that Patron Sports Leisure reserves the right to pay any Cash Consideration referred to in this clause to all or any relevant Scheme Shareholders in CREST at the Scheme Record Time in the manner referred to in sub-clause 3.2(a) if, for any reason it wishes to do so,

in each case within 14 days of the Effective Date.

3.3 All deliveries of cheques shall be effected by Patron Sports Leisure by sending the same by first class post in pre-paid envelopes addressed to the persons respectively entitled thereto (or by such other method as may be approved by the Panel) at their respective addresses as appearing in the register of members of Powerleague or, in the case of joint holders, at the address of that one of the joint holders whose name stands first in such register (except in either case as otherwise directed in writing) at the Scheme Record Time, and neither Powerleague nor Patron Sports Leisure shall be responsible for any loss or delay in the transmission or delivery of any cheques sent in accordance with this sub-clause which shall be sent at the risk of the persons entitled thereto.

3.4 All cheques shall be in Sterling drawn on the branch of a UK clearing bank. Payments made by cheque shall be payable to the Scheme Shareholder concerned or, in the case of joint holders, to the holder whose name appears first in the register of members of Powerleague in respect of the joint holding concerned at the Scheme Record Time or to such other person(s) (if

any) as such person may direct in writing. The encashment of any such cheque or the making of any CREST assured payment as referred to in sub-clause 3.2 shall be a complete discharge for the monies represented thereby.

**3.5** The provisions of this clause 3 shall be subject to any condition or prohibition imposed by law.

**4. Certificates and cancellations**

With effect from and including the Effective Date:

- (a) all certificates representing Scheme Shares shall cease to have effect as documents of title to the Scheme Shares comprised therein and every holder thereof shall be bound at the request of Powerleague to deliver up the same to Powerleague, or as it may direct, or to destroy the same; and
- (b) Euroclear shall be instructed to cancel the entitlements to Scheme Shares of holders of Scheme Shares in uncertificated form; and
- (c) as regards certificated Scheme Shares, appropriate entries will be made in Powerleague's register of members to reflect their cancellation.

**5. The Effective Date**

**5.1** This Scheme shall become effective as soon as an office copy of the Court Order (together with the Statement of Capital attached thereto) shall have been duly delivered to the Registrar of Companies for registration and shall have been registered by him.

**5.2** Unless this Scheme shall become effective on or before 2 April 2010 or such later date, if any, as Powerleague and Patron Sports Leisure may agree and the Panel and the Court may allow, this Scheme shall not become effective and the Acquisition shall not proceed.

**6. Modification**

Powerleague and Patron Sports Leisure may jointly consent on behalf of all concerned to any modification of, or addition to, this Scheme or to any condition which the Court may approve or impose.

Dated: 16 October 2009

## PART VI

### ADDITIONAL INFORMATION

#### 1. Responsibility

- 1.1** The Powerleague Directors, whose names are set out in paragraph 2.1 below, accept responsibility for the information contained in this document other than information for which responsibility is taken by others pursuant to paragraphs 1.2 and 1.3 below. To the best of the knowledge and belief of the Powerleague 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.
- 1.2** The Independent Directors, whose names are set out in paragraph 2.1 below, accept responsibility for their views and opinions contained in the letter from the Independent Directors set out in Part I of this document, including their recommendations in respect of the Scheme. 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 Patron Responsible Persons, whose names are set out in paragraphs 2.2(a), (b) and (c) below, accept responsibility for the information contained in this document relating to the Patron Group, the Patron Sports Leisure Directors, their close relatives, related trusts and connected persons and, the information set out in paragraphs 8 and 9 of Part II of this document. To the best of the knowledge and belief of the Patron Responsible Persons (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. The Powerleague Directors and the Patron Responsible Persons

- 2.1** The Powerleague Directors and their respective functions are as follows:

<i>Name</i>	<i>Function</i>
Claude Manuel Littner*	Chairman
Sean Paul Tracey	Chief Executive
Sheena Marion Beckwith	Finance Director
Andrew Howard Mallett*	Non-executive Director
Simon Anthony Bentley*	Non-executive Director
Keith M Breslauer	Non-executive Director
Paul Orchard-Lisle	Non-executive Director

\* *Denotes an Independent Director*

Powerleague is a public company limited by shares and incorporated in England and Wales under the Companies Act 1985 with registered number 5384840. The registered office of Powerleague is Powerleague Mill Hill, Pursley Road, Mill Hill, London NW7 2BB.

#### 2.2

- (a)** The Patron Sports Leisure Directors are as follows:

<i>Name</i>	<i>Function</i>
Geraldine Schmit	Director
Michael Vandeloise	Director

- (b) The directors of Patron G.P. and their respective functions are as follows:

<i>Name</i>	<i>Function</i>
James Lasry	Director
Moe Cohen	Director
David Hassan	Director
David Cuby	Director

- (c) The relevant officers of Patron Capital Limited and their respective functions are:

<i>Name</i>	<i>Function</i>
Keith M. Breslauer	Managing Director
Shane Law	Chief Operating Officer

### 3. Patron Sports Leisure

Patron Sports Leisure is a *société à responsabilité limitée* incorporated on 12 March 2008 under the law of Luxembourg with registered number B 137.187. Its registered address is 6, avenue Pasteur, L-2310 Luxembourg. Patron Sports Leisure is a wholly-owned subsidiary of Patron Sports Holding S.a.r.l. which itself is a wholly-owned subsidiary of Patron Investments III S.a.r.l.. Patron Investments III S.a.r.l. is a wholly-owned subsidiary of Patron. The issued share capital of Patron Sports Leisure is €12,500 divided into 500 shares of €25 each.

### 4. Interests in Powerleague Shares

#### 4.1 Interests of Powerleague Directors in relevant securities of Powerleague

As at the last day of the Disclosure Period, the interests of the Powerleague Directors (within the meaning of Part 22 of the Act) and their close relatives, related trusts and connected persons, all of which are beneficial unless otherwise stated, in relevant securities of Powerleague were (with the exception of options in respect of Powerleague Shares which are set out in paragraph 4.2 below) as follows:

<i>Name</i>	<i>Number of Powerleague Shares</i>
Claude Manuel Littner	5,009,506
Sean Paul Tracey	3,276,271
Sheena Marion Beckwith	458,488*
Andrew Howard Mallett	118,180 <sup>#</sup>
Simon Anthony Bentley	10,000
Paul Orchard-Lisle	85,000

\* Includes 149,542 Powerleague Shares registered in the name of Mrs Beckwith's husband, Neil Beckwith.

<sup>#</sup> Includes 59,090 Powerleague Shares registered in the name of Mr Mallett's wife, ETTY Mallett.

The Independent Directors and certain of their connected persons have irrevocably undertaken to vote, or procure a vote, in favour of the resolutions to be proposed at the Scheme Meeting and the Resolutions to be proposed at the General Meeting in respect of their entire beneficial holdings of 5,137,686 Powerleague Shares (representing, in aggregate, approximately 6.3 per cent. of the entire existing issued share capital of Powerleague).

The Management Team and certain of their connected persons have irrevocably undertaken to vote, or to procure a vote, in favour of the Special Resolution to be proposed at the General Meeting in respect of their entire beneficial holdings of 3,734,759 Powerleague Shares (representing, in aggregate, approximately 4.6 per cent. of the entire existing issued share capital of Powerleague).

Paul Orchard-Lisle has irrevocably undertaken to vote, or to procure a vote, in favour of the Special Resolution to be proposed at the General Meeting in respect of his entire beneficial holding of 85,000 Powerleague Shares (representing, in aggregate, approximately 0.1 per cent. of the entire existing issued share capital of Powerleague).

#### 4.2 Interests of Powerleague Directors in options over Powerleague Shares

As at the last day of the Disclosure Period, the following options in respect of Powerleague Shares had been granted to the following Powerleague Directors for nil consideration and remained outstanding under the Powerleague Share Scheme:

<i>Name</i>	<i>Scheme</i>	<i>Number of Powerleague Shares under option</i>	<i>Date of grant</i>	<i>Exercise price (p)</i>	<i>Exercise period</i>
Sheena Marion Beckwith	Powerleague Group plc Approved and Unapproved Employee Share Option Scheme	70,000	14.11.06	69	14.11.09 – 13.11.17

The performance conditions attaching to the Powerleague Options held by Ms Beckwith have not been satisfied and accordingly such options are incapable of being exercised.

#### 4.3 Interests of Patron Sports Leisure in relevant securities of Powerleague

As at the last day of the Disclosure Period, Patron Sports Leisure was interested in 23,727,800 Powerleague Shares.

#### 4.4 Interests of persons acting in concert with Patron Sports Leisure in relevant securities of Powerleague

As at the last day of the Disclosure Period, the following persons acting in concert with Patron Sports Leisure (other than the Patron Sports Leisure Directors) were interested in the following relevant securities of Powerleague:

<i>Name</i>	<i>Number of Powerleague Shares</i>
Paul Orchard-Lisle	85,000
Sean Paul Tracey	3,276,271
Sheena Marion Beckwith	308,946
Neil Beckwith	149,542

#### 4.5 Interests of connected advisers to Powerleague in relevant securities of Powerleague

As at the last day of the Disclosure Period, the interests of any connected adviser to Powerleague or to any of its associated companies or to any person acting in concert with Powerleague, or by persons controlling, controlled by or under the same control as any such connected adviser (except for an exempt principal trader or an exempt fund manager (as such terms are defined in the Code)) in relevant securities of Powerleague were as follows:

<i>Name</i>	<i>Number of Powerleague Shares</i>
Cenkos Securities plc	2,028

### 5. Dealings in Powerleague Shares

#### 5.1 Dealings in relevant securities of Powerleague by persons acting in concert with Patron Sports Leisure

Dealings in the relevant securities of Powerleague during the Disclosure Period by persons acting in concert with Patron Sports Leisure (other than the Patron Sports Leisure Directors) were as follows:

<i>Name</i>	<i>Date</i>	<i>Nature of transaction</i>	<i>Number of Powerleague Shares</i>	<i>Price (p)</i>
Sean Paul Tracey	12 June 2008	Buy	275,000	71
Neil Beckwith	12 June 2008	Sell	166,510	71
Sean Paul Tracey	7 July 2008	Buy	285,000	50
Sean Paul Tracey	8 July 2008	Buy	98,039	51
Sean Paul Tracey	2 October 2008	Buy	840,000	32
Paul Orchard-Lisle	6 October 2008	Buy	85,000	35

### 6. Irrevocable undertakings and letters of intent

6.1 The Independent Directors and certain of their connected persons have given irrevocable undertakings to, amongst other things, vote (or procure the vote) in favour of the Scheme at the Court Meeting and the Resolutions at the General Meeting in respect of the following interests in Powerleague Shares:

<i>Name</i>	<i>Number of Powerleague Shares committed<sup>1</sup></i>	<i>Percentage of the entire existing issued share capital of Powerleague</i>
Claude Littner	5,009,506	6.12
Andrew Mallett	59,090	0.07
Simon Bentley	10,000	0.01
Etty Mallett	59,090	0.07

- 6.2** The Management Team, Paul Orchard-Lisle and certain of their connected persons have given irrevocable undertakings to, amongst other things, vote (or procure the vote) in favour of the Special Resolution at the General Meeting in respect of the following interests in Powerleague Shares:

<i>Name</i>	<i>Number of Powerleague Shares committed<sup>1</sup></i>	<i>Percentage of the entire existing issued share capital of Powerleague</i>
Sean Tracey	3,276,271	4.00
Sheena Beckwith	308,946	0.38
Paul Orchard-Lisle	85,000	0.10
Neil Beckwith	149,542	0.18

Notes:

1. These irrevocable undertakings to vote, or procure the vote, in favour of the resolutions to be proposed at the Scheme Meeting and the General Meeting remain binding, even if a higher competing offer is announced by a third party, unless the Scheme lapses or is withdrawn.

## **7. Interests and dealings – general**

- 7.1** As at the last day of the Disclosure Period, save as disclosed in this document, neither Patron Sports Leisure, nor any of the Patron Sports Leisure Directors, nor any of their close relatives, related trusts or (so far as the Patron Sports Leisure Directors are aware) connected persons nor any persons acting in concert with Patron Sports Leisure nor any person with whom Patron Sports Leisure or any person acting in concert with Patron Sports Leisure has an arrangement had an interest in or right to subscribe for any relevant securities of Powerleague (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, nor had any of the foregoing dealt in any relevant securities of Powerleague during the Disclosure Period.
- 7.2** As at the last day of the Disclosure Period, save as disclosed in this document, neither Patron Sports Leisure nor any person acting in concert with Patron Sports Leisure has borrowed or lent any relevant securities of Powerleague.
- 7.3** As at the last day of the Disclosure Period, save as disclosed in this document, neither Powerleague, nor any of the Powerleague Directors, nor any of their close relatives, related trusts or (so far as the Powerleague Directors are aware) connected persons had an interest or right to subscribe for relevant securities of Powerleague or any relevant securities of Patron Sports Leisure (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, nor had any of the foregoing dealt in any relevant securities of Powerleague or any relevant securities of Patron Sports Leisure from the commencement of the Offer Period until the last day of the Disclosure Period.
- 7.4** As at the last day of the Disclosure Period, save as disclosed in this document, no related company of Powerleague, no pension fund of Powerleague or of any of its related companies, no employee benefit trust of Powerleague or of any of its related companies, no connected adviser to Powerleague or of any of its related companies or to any person acting in concert with Powerleague, no person controlling, controlled by or under the same control as any such connected adviser (except for an exempt principal trader or an exempt fund manager) and no person who has an arrangement with Powerleague or any person who is an associate of Powerleague had an interest in or right to subscribe for any relevant securities of Powerleague

(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, nor had any of the foregoing dealt in any relevant securities of Powerleague from the commencement of the Offer Period until the last day of the Disclosure Period.

- 7.5 As at the last day of the Disclosure Period, save as disclosed in this document, neither Powerleague nor any person acting in concert with Powerleague has borrowed or lent any relevant securities of Powerleague.
- 7.6 As at the last day of the Disclosure Period, save as disclosed in this document, there were no arrangements between Powerleague or any associate of Powerleague and any other person.
- 7.7 Save as disclosed in this document, Powerleague has not redeemed or purchased any Powerleague Shares or any securities convertible into, rights to subscribe for or options in respect of, or derivatives referenced to Powerleague Shares during the Disclosure Period.
- 7.8 Save as disclosed in this document, Powerleague has not redeemed or purchased any Powerleague Shares or any securities convertible into, rights to subscribe for or options in respect of, or derivatives referenced to Powerleague Shares between the commencement of the Offer Period and the last day of the Disclosure Period.
- 7.9 For the purposes of this Part VI:
- (a) “acting in concert” has the meaning set out in the Code;
  - (b) “arrangement” includes any indemnity or option arrangements and any agreement or understanding, formal or informal, of whatever nature, relating to the relevant securities of Patron Sports Leisure or to the relevant securities of Powerleague which may be an inducement to deal or refrain from dealing;
  - (c) “associate” of any company has the meaning ascribed to it in the Code and includes (without limitation):
    - (i) its parent companies, subsidiaries and associated companies and companies of which any such companies are associated companies (“related companies”);
    - (ii) connected advisers and persons controlling, controlled by or under the same control of any such connected advisers;
    - (iii) its directors and the directors of any related company (together in each case with their close relatives and related trusts); and
    - (iv) its pension funds or the pension funds of any related company;
    - (v) an investment company, unit trust or other person whose investments an associate (as otherwise defined in paragraph 7.9(c)(i)) manages on a discretionary basis, in respect of the relevant investment accounts;
  - (d) “bank” does not apply to a bank whose sole relationship with Patron Sports Leisure or Powerleague or a company covered in paragraph 7.9(c)(i) of this Part VI is the provision of normal commercial banking services or such activities in connection with the Acquisition as handling acceptances and other registration work;
  - (e) a “connected adviser” means, in relation to any person, the organisation which is advising the person in relation to the Acquisition and, if that person is Powerleague or Patron Sports Leisure, the corporate broker to that person (other than any corporate broker which is unable to act in connection with the Acquisition because of a conflict of interest);
  - (f) “dealing” or “dealt” includes the following:
    - (i) the acquisition or disposal of securities;
    - (ii) the taking, granting, acquisition, disposal, entering into, closing out, termination, exercise (by either party) or variation of an option (including a traded option contract) in respect of any relevant securities;
    - (iii) subscribing or agreeing to subscribe for relevant securities;

- (iv) the exercise or conversion, whether in respect of new or existing relevant securities, of any relevant securities carrying conversion or subscription rights;
  - (v) the acquisition of, disposal of, entering into, closing out, exercise (by either party) of any rights under, or variation of, a derivative referenced, directly or indirectly, to relevant securities;
  - (vi) entering into, terminating or varying the terms of any agreement to purchase or sell relevant securities; and
  - (vii) any other action resulting, or which may result, in an increase or decrease in the number of relevant securities in which a person is interested or in respect of which he has a short position;
- (g) “derivative” includes any financial product whose value, in whole or in part, is determined directly or indirectly by reference to the price of an underlying security;
  - (h) “Disclosure Period” means the period commencing on 8 April 2008 (being the date 12 months prior to the commencement of the Offer Period) and ending on 15 October 2009 (being the latest practicable date prior to the publication of this document);
  - (i) “relevant securities of Patron Sports Leisure” means Patron Sports Leisure Shares and securities convertible into, or rights to subscribe for, options (including traded options) in respect thereof and derivatives referenced thereto;
  - (j) “relevant securities of Powerleague” means Powerleague Shares and securities convertible into, or rights to subscribe for, options (including traded options) in respect thereof and derivatives referenced thereto;
  - (k) ownership or control of 20 per cent. or more of the equity share capital is regarded as the test of associated company status and “control” means an interest or interests in shares carrying 30 per cent. or more of the voting rights attributable to the share capital of a company which are currently exercisable at a general meeting, irrespective of whether the holding or aggregate holding gives *de facto* control;
  - (l) a person is treated as having an “interest in securities” if he has long economic exposure, whether absolute or conditional, to changes in the price of those securities (and a person who only has a short position in securities is not treated as interested in those securities). In particular, a person is treated as “interested” in securities if:
    - (i) he owns them;
    - (ii) he has the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to them or has general control of them;
    - (iii) by virtue of any agreement to purchase, option or derivative, he;
      - (A) has the right or option to acquire them or call for their delivery; or
      - (B) is under an obligation to take delivery of them,
 whether the right, option or obligation is conditional or absolute and whether it is in the money or otherwise; or
    - (iv) he is a party to any derivative:
      - (A) whose value is determined by reference to their price; and
      - (B) which results, or may result, in his having a long position in them.

## 8. Market quotations

The following table shows the closing middle market quotations of Powerleague Shares, as derived from the AIM Appendix of the Daily Official List, for the first business day in each of the six months immediately prior to the date of this document, for 7 April 2009 (the business day prior to the commencement of the Offer Period), for 1 October 2009 (being the latest practicable business day prior to the Announcement and for 15 October 2009 (being the latest practicable business day prior to the publication of this document):

<i>Date</i>	<i>Powerleague Share price (p)</i>
15 October 2009	51.5
1 October 2009	44.5
1 September 2009	41
3 August 2009	39.5
1 July 2009	39
1 June 2009	36.5
1 May 2009	39.5
7 April 2009	37
1 April 2009	32

## 9. Powerleague Directors' service agreements

9.1 Set out below are details of the service agreements or letters of appointment of each of the Powerleague Directors:

- (a) Claude Littner is employed as Executive Chairman pursuant to the terms of a service agreement with Powerleague dated 23 May 2005. Mr Littner is paid a basic annual salary of £120,750. His salary is subject to annual review by the remuneration committee of Powerleague. In addition, Mr Littner is entitled to contributions towards a life insurance scheme, payment of private medical insurance subscriptions, a pension scheme contribution of 10 per cent. of his salary and is entitled to participate in any discretionary employee bonus scheme applicable to an employee of his level. Mr Littner's appointment is terminable by either party on not less than 6 months' written notice. Mr Littner is subject to certain non-competition covenants for a period of 6 months following the termination of his employment and certain non-solicitation covenants for a period of 12 months following the termination of his employment. The agreement is governed by English law.
- (b) Sean Tracey is employed as Chief Executive pursuant to the terms of a service agreement with Powerleague dated 23 May 2005. Mr Tracey is paid a basic annual salary of £136,500. His salary is subject to annual review by the remuneration committee of Powerleague. In addition, Mr Tracey is entitled to contributions towards a life insurance scheme, payment of private medical insurance subscriptions, a pension scheme contribution of 10 per cent. of his salary and is entitled to participate in any discretionary employee bonus scheme applicable to an employee of his level. Mr Tracey's appointment is terminable by either party on not less than 6 months' written notice. Mr Tracey is subject to certain non-competition covenants for a period of 6 months following the termination of his employment and certain non-solicitation covenants for a period of 12 months following the termination of his employment. The agreement is governed by English law.
- (c) Sheena Beckwith is employed as Finance Director pursuant to the terms of a service agreement with Powerleague dated 23 May 2005. Ms Beckwith is paid a basic annual salary of £105,000. Her salary is subject to annual review by the remuneration committee of Powerleague. In addition, Ms Beckwith is entitled to contributions towards a life insurance scheme, payment of private medical insurance subscriptions, a pension scheme contribution of 10 per cent. of her salary and is entitled to participate in any discretionary employee bonus scheme applicable to an employee of her level. Ms Beckwith's appointment is terminable by either party on not less than 6 months' written notice. Ms Beckwith is subject to certain non-competition covenants for a period of 6 months following the termination of her employment and certain non-solicitation covenants for a period of 12 months following the termination of her employment. The agreement is governed by English law.

- (d) Pursuant to the terms of a letter of engagement with Powerleague dated 27 April 2005, Andrew Mallett agreed to serve as a non-executive director of Powerleague. Mr Mallett is paid an annual fee of £23,625. Mr Mallett's appointment as a non-executive director was for an initial fixed term of 12 months and has been renewed by mutual agreement and is terminable on 3 months' written notice. Mr Mallett's appointment will terminate automatically if, *inter alia*, Mr Mallett is removed from office by a resolution of Powerleague Shareholders or is not re-elected to office after serving an expected three-year term. Mr Mallett was re-elected as a non-executive director in 2008.
- (e) Pursuant to the terms of a letter of engagement between Powerleague and Regents Park Estates Limited dated 29 July 2008, Regents Park Estates Limited agreed to provide the services of Simon Bentley as a non-executive director of Powerleague for an annual fee of £22,500 (exclusive of VAT). Mr Bentley's appointment under the terms of the letter is for a fixed term of 12 months and has been renewed by mutual agreement and is terminable on 3 months' written notice. Mr Bentley's appointment will terminate automatically if, *inter alia*, he is removed from office by a resolution of Powerleague Shareholders or is not re-elected to office after serving an expected three-year term. Mr Bentley's appointment was previously governed by a letter of engagement with Powerleague dated 5 May 2005. Mr Bentley was re-elected as a non-executive director in 2008.
- (f) Pursuant to the terms of a letter of engagement with Powerleague dated 14 March 2008, Paul Orchard-Lisle agreed to serve as a non-executive director of Powerleague. Mr Orchard-Lisle is entitled to an annual fee of £20,000 but has waived his entitlement to the fee since appointment. Mr Orchard-Lisle's appointment as a non-executive director was for an initial fixed term of 12 months. The term of Mr Orchard-Lisle's appointment has been rolling since the end of the fixed term. Mr Orchard-Lisle's appointment is terminable on three months' written notice by either party and will terminate automatically if, *inter alia*, Mr Orchard-Lisle is removed from office by a resolution of Powerleague Shareholders or is not re-elected to office after serving an expected three-year term.
- (g) Pursuant to the terms of a letter of engagement with Powerleague dated 14 March 2008, Keith M. Breslauer agreed to serve as a non-executive director of Powerleague. Mr Breslauer is entitled to an annual fee of £20,000 but has waived his entitlement to the fee since appointment. Mr Breslauer's appointment as a non-executive director was for an initial fixed term of 12 months. The term of Mr Breslauer's appointment has been rolling since the end of the fixed term. Mr Breslauer's appointment is terminable on three months' written notice by either party and will terminate automatically if, *inter alia*, Mr Breslauer is removed from office by a resolution of Powerleague Shareholders or is not re-elected to office after serving an expected three-year term.
- (h) Claude Littner entered into a compromise agreement with Powerleague dated 2 October 2009. The agreement is conditional upon the Acquisition becoming Effective. With effect from the Effective Date, Mr. Littner's employment with Powerleague will terminate and he will resign from all offices, trusteeships and directorships with any member of the Powerleague Group. Under the agreement, Mr. Littner will be paid £68,104 in lieu of notice, £25,000 in respect of an accrued bonus for the year ended June 2009 and £10,000 for loss of employment.
- (i) Claude Littner entered into a consultancy agreement with Powerleague dated 2 October 2009. The agreement is conditional upon the Acquisition becoming Effective. The agreement will commence on the Effective Date and has a six month duration. A consultancy fee of, in aggregate, £76,564.40 in respect of the period of the agreement will be paid by Powerleague to Mr. Littner in monthly instalments. Under the agreement, Mr Littner will provide certain transitional consultancy services to the Powerleague Group.

**9.2** Except as stated above, none of the agreements set out in sub-paragraph 9.1 above has been entered into or amended during the six months prior to the date of this document.

**9.3** Save as disclosed above, there are no other contracts of service between the directors of Powerleague and Powerleague or any of its subsidiaries.

## **10. Material contracts**

The following contracts, not being contracts being entered into in the ordinary course of business, have been entered into by members of the Powerleague Group during the period beginning two years immediately before the date of the commencement of the Offer Period and 15 October 2009 (being the latest practicable business day prior to the publication of this document) and are, or may be, material:

- (a) The Implementation Agreement dated 2 October 2009 between (1) Powerleague and (2) Patron Sports Leisure, which governs amongst other things, their relationship during the period until the Scheme becomes Effective. Powerleague and Patron Sports Leisure have agreed to co-operate with regard to the process required to implement the Scheme, including in respect of the preparation of documents and their contents, the making of any announcements or publication of any circulars or publications and the applications to be made to the Court by Powerleague. Powerleague has also entered into certain undertakings concerning the conduct of its business during the period until the Scheme becomes Effective, including, amongst others, to not, without the prior written consent of Patron Sports Leisure, carry on business other than in the ordinary course, allot and issue any share capital or securities, or appoint or remove any director. The Implementation Agreement will terminate with immediate effect in certain circumstances, including, amongst other events, upon the written agreement of the parties prior to the Scheme becoming Effective, if the Scheme has not been implemented in accordance with its terms (or if an Offer is (or is to be) made by Patron Sports Leisure for all of the Scheme Shares, the Offer has not become unconditional in all respects) by the date which is six months from the date of the agreement, if the Court refuses to sanction the Scheme, if any or all of the Independent Directors publicly recommend a competing proposal, or a fee is paid by Powerleague under the terms of the Inducement Fee Agreement. Powerleague has agreed that if Patron Sports Leisure elects to implement the Acquisition by way of an Offer, it will provide Patron Sports Leisure with all such information relating to Powerleague as may reasonably be required and to provide all such other assistance as Patron Sports Leisure may reasonably require in connection with the preparation of an offer document.
- (b) The Inducement Fee Agreement dated 24 July 2009 (as amended by letters of extension dated 24 September 2009 and 30 September 2009), whereby Powerleague agreed to pay an inducement fee to Patron Sports Leisure under certain circumstances. A fee would become payable if, prior to an announcement being made (before 2 October 2009): (i) a competing offer (as defined in the Inducement Fee Agreement) was made or announced or entered into and (a) the competing offer became or was declared unconditional or otherwise completed, or (b) Patron Sports Leisure announced an intention not to make an offer (as defined in the Inducement Fee Agreement), or (c) the offer lapsed or was withdrawn, and in the case of a competing offer to acquire the Powerleague Shares, the competing offer was recommended by any or all of the Independent Directors; (ii) Powerleague or any or all of the Independent Directors (a) withdrew from the offer process, save where Patron Sports Leisure indicated in writing that the cash consideration would be less than the Offer Price, or (b) proposed an increase in the Offer Price or (c) refused to proceed by way of a scheme; and (iii) Patron Sports Leisure confirmed it was in a position to announce an offer at or above the Offer Price and any or all of the Independent Directors did not unanimously recommend the Offer or any or all of the Independent Directors did not enter into hard irrevocable commitments to accept or vote in favour of the offer. A fee will also become payable if (i) before the Scheme (or any substitute offer) lapses or is withdrawn, a competing offer is announced and is either declared unconditional in all respects or is otherwise consummated, or the competing offer is recommended by any or all of the Independent Directors and the Scheme or any substitute Offer lapses or is withdrawn; or (ii) this document (or any substitute Offer document) did not or does not contain the unanimous and unqualified recommendation of the Independent Directors, or the Independent Directors withdraw, qualify or adversely modify their recommendation and the Offer is subsequently withdrawn or lapses. Any fee payable after the Announcement was made will be equal to one per cent. of the value of Powerleague calculated by reference to the Offer Price and the fully diluted equity share capital of Powerleague. Any fee payable prior to an Announcement would have been calculated on a phased basis with reference to the date the qualifying event occurred. The Inducement Fee Agreement also includes a cost contribution provision, whereby Patron Sports Leisure agreed to reimburse certain third party legal fees (capped at specified levels) incurred by Powerleague if, subject to certain qualifications, Patron Sports Leisure withdrew from discussions or the Offer process generally. Under the terms of the Inducement Fee Agreement, Powerleague also agreed to certain non solicitation and notification undertakings in relation to competing offers. Further, Powerleague has agreed not to pay, offer or agree to pay any work fee, inducement fee or break fee in connection with any competing offer to any third party.
- (c) An asset purchase agreement dated 25 February 2008 and made between (1) Powerleague Fives Limited (a subsidiary of Powerleague) ("**Powerleague Fives**") and (2) JJB Sports Plc ("**JJB**") (the "**Soccer Domes Agreement**"), whereby Powerleague Fives agreed to purchase the five-a-side football centres business carried on by JJB at five locations and the assets, properties and contracts used in the business (the "**Soccer Domes Acquisition**"). The consideration payable by Powerleague Fives was £17,431,000 (such sum including £5,000 for 5 per cent. of the customer

deposits held by JJB) plus an amount for any stock at each of the properties at completion. Under the terms of the Soccer Domes Agreement and the Transfer of Undertakings (Protection of Employment) Regulations 2006, the employees of JJB engaged in the business transferred to Powerleague Fives pursuant to the transfer of the business. Under the terms of the Soccer Domes Agreement, JJB agreed to grant underleases to the five properties used in the business to Powerleague Fives. The purchase price was payable by Powerleague Fives in instalments, such instalments to be paid on JJB obtaining consent from each of the head landlords for the grant of the relevant underlease. The apportionments and prepayments of the business were to be apportioned between JJB and Powerleague Fives on a time basis. The Soccer Domes Agreement contains transitional provisions relating to, amongst other things, security systems at the sites, cash and banking arrangements, and laundry contracts. Powerleague Fives is subject to certain restrictions under the terms of the Soccer Domes Agreement on the advertising it can accept at the sites acquired. The Soccer Domes Agreement contains warranties in favour of Powerleague Fives, which are subject to standard limitations. The aggregate liability of JJB in respect of all claims shall not exceed the consideration payable under the Soccer Domes Agreement. JJB also entered into certain restrictive covenants in favour of Powerleague Fives, including an undertaking for a period of two years not to carry on or be interested in any business within 20 miles of any of the sites transferred in competition with the business being transferred under the Soccer Domes Agreement. Powerleague Fives was granted a right of first refusal in respect of occupation or ownership of any five-a-side football facilities at any future developments undertaken by JJB or any members of its group in the three years following completion of the Soccer Domes Agreement. The Soccer Domes Agreement is governed by the laws of England.

- (d) A sterling acquisition finance facility dated 18 February 2008 and made between (1) Bank of Scotland Plc and (2) Powerleague Fives as amended by the parties by a letter dated 26 September 2008 (the “**Soccer Domes Facility Agreement**”). The Soccer Domes Facility Agreement made available a term loan of £18,000,000 (the “**Soccer Domes Term Loan**”) to help fund the Soccer Domes Acquisition. The Soccer Domes Term Loan shall be repaid by 27 equal quarterly instalments of £325,000 on the last business day of February, May, August and November in each year, with a final instalment of £9,225,000 being payable on the last business day in May 2015. Powerleague Fives shall pay interest on the Soccer Domes Term Loan outstanding in an interest period which is the aggregate of the Margin (being 1.25 per cent.), LIBOR and the Mandatory Costs (as such terms are defined in the Soccer Domes Facility Agreement). The Soccer Domes Facility Agreement contains representations, covenants and events of default customary for facilities of this size and nature, including restrictions on the creation and subsistence of security and the disposal of certain assets in the Powerleague Group. The Soccer Domes Facility Agreement is governed by the laws of England.
- (e) A share purchase agreement dated 28 July 2008 and made between (1) Powerleague Fives and (2) Donald Ian Sinclair (“**Sinclair**”) whereby Powerleague Fives agreed to acquire the entire issued share capital of Soccer Sensations Limited (“**SSL**” and the “**SSL Acquisition**” respectively) from Sinclair (the “**SSL Agreement**”). The consideration payable for the shares in SSL was £1,775,000 to be paid on completion plus £50,000 to be paid into a retention account and released to Sinclair in instalments of 25 per cent., 25 per cent. and 50 per cent. on such dates as are three, six and nine months from the date of completion (subject to any claims arising during the retention period). Additional consideration of £125,000 was payable in respect of the net assets of SSL subject to an adjustment based on the actual net assets of SSL as shown in the completion accounts produced for SSL under the terms of the SSL Agreement. The SSL Agreement contains standard warranties and indemnities in favour of Powerleague Fives, which are subject to standard limitations. The aggregate liability of Sinclair in respect of all claims shall not exceed the consideration paid under the SSL Agreement. The SSL Agreement also contains a specific indemnity in favour of Powerleague Fives in respect of any loss arising in connection with transfers of land between SSL and Star Developments (N/E) Limited. Sinclair also entered into certain restrictive covenants in favour of Powerleague Fives, including an undertaking for a period of three years not to carry on or be interested in any business in competition with the business of SSL within 20 miles of the property leased by SSL. Powerleague Fives was also granted a right of first refusal on the sale or transfer of any five-a-side football facilities at any future developments undertaken by Sinclair or Soccer Sensations Hull Limited in the three year period following completion. The SSL Agreement is governed by the laws of England.
- (f) A call option agreement dated 28 July 2008 (the “**SSHL Option Agreement**”) and made between (1) Powerleague Fives and (2) Sinclair, whereby Sinclair granted to Powerleague Fives a call option (the “**SSHL Option**”) in respect of the 100 ordinary shares of £1 in the capital of Soccer Sensations Hull Limited held by Sinclair (the “**SSHL Option Shares**”). The consideration for the grant of the SSHL Option was £60,000. The SSHL Option may be exercised at any time

during the period of 18 months from the date of the SSSL Option Agreement. The SSSL Option Shares shall be sold with full title guarantee and free from all encumbrances. Sinclair agrees to enter into a sale and purchase agreement in respect of the SSSL Option Shares substantially on the same terms as the SSL Agreement. The consideration payable on exercise of the SSSL Option shall be a sum to be determined by an independent accountant on the basis of an open market value between a willing seller and a willing buyer. In the event any third party offer is made for the SSSL Option Shares, the consideration shall be a sum equal to the third party offer and Sinclair shall be entitled to sell the SSSL Option Shares to the third party if Powerleague Fives does not exercise the SSSL Option within 20 business days of being informed of the terms of the third party offer. The SSSL Option Agreement is governed by the laws of England.

- (g) A sterling acquisition finance facility dated 25 July 2008 and made between (1) Bank of Scotland Plc and (2) Powerleague Fives as amended by the parties by a letter dated 26 September 2008 (the “**SSL Facility Agreement**”). The SSL Facility Agreement made available a term loan of £2,000,000 (the “**SSL Term Loan**”) to help fund the SSL Acquisition. The SSL Term Loan shall be repaid by 23 equal quarterly instalments of £83,333 on the last business day of January, April, July and October in each year, with a final instalment of £83,341 being payable on the last business day in July 2015. Powerleague Fives shall pay interest on the Term Loan outstanding in an interest period which is the aggregate of the Margin (being 2 per cent.), LIBOR and the Mandatory Costs (as such terms are defined in the SSL Facility Agreement). The SSL Facility Agreement contains representations, covenants and events of default customary for facilities of this size and nature, including restrictions on the creation and subsistence of security and the disposal of certain assets in the Powerleague Group. The SSL Facility Agreement is governed by the laws of England.
- (h) An over the counter interest rate swap agreement dated 30 July 2008 (and amended on 13 June 2009) between (1) Bank of Scotland plc (“**BoS**”) and (2) Powerleague Fives with reference to interest payable on £17,000,000 (the “**Notional Amount**”) calculable with reference to LIBOR (the “**Swap Agreement**”). Under the terms of the Swap Agreement, BoS agreed to pay a sum of money to Powerleague Fives equal to the greater of zero and the interest payable on the Notional Amount at the applicable interest rate prevailing for the relevant period less 6.00 per cent. Powerleague Fives agreed to pay a sum of money to BoS equal to the greater of zero and the interest payable on the Notional Amount at a rate of 5.36 per cent. less the applicable interest rate prevailing for the relevant period. Payments are calculable and payable quarterly on 1 March, 1 June, 1 September and 1 December. The Swap Agreement has a termination date of 30 July 2010. The Swap Agreement contains terms and conditions customary for an agreement of this nature

Save as disclosed above, no other contracts have been entered into by any company in the Powerleague Group, not being contracts entered into in the ordinary course of business, which are, or may be material, during the period beginning two years before the commencement of the Offer Period.

## **11. Financing arrangements**

Financing for the Proposals will be provided by approximately £29 million of equity funding from Patron and £1.2 million from the Management Team for B Shares in Patron Sports Leisure. No third party debt will be used in this regard.

Repayment of Powerleague’s existing third party borrowing facilities will be provided by £36 million of senior debt facilities and a revolving credit facility of £2 million which are being arranged and underwritten by HSBC Bank plc and Lloyds Banking Group.

Altium, as financial adviser to Patron Sports Leisure, is satisfied that sufficient resources are available to Patron Sports Leisure to satisfy in full the Cash Consideration payable to Powerleague Shareholders under the terms of the Acquisition.

## **12. Material change**

There has been no material change in the financial or trading position of Powerleague since 28 June 2008 (the date to which the latest published audited accounts of Powerleague were prepared).

## **13. Miscellaneous**

**13.1** Save as disclosed in this document, no agreement, arrangement or understanding (including any compensation arrangement) exists between Patron Sports Leisure or any person acting in concert with Patron Sports Leisure for the purposes of the Acquisition and any of the directors,

or recent directors, shareholders or recent shareholders of Powerleague or any person interested or recently interested in Powerleague Shares having any connection with or dependence upon or which is conditional on the outcome of, the Acquisition.

- 13.2** Save as disclosed in this document, no proposal exists in connection with the Acquisition for any payment or other benefit to be made or given by Patron Sports Leisure or any person acting in concert with Patron Sports Leisure for the purposes of the Acquisition to any Independent Director as compensation for loss of office or as consideration for, or in connection with, his retirement from office.
- 13.3** There is no agreement, arrangement or understanding whereby the beneficial ownership of any of the Powerleague Shares acquired by Patron Sports Leisure pursuant to the Acquisition will be transferred to any other person, save that Patron Sports Leisure reserves the right to transfer any such shares.
- 13.4** There are no agreements or arrangements to which Patron Sports Leisure is a party which relate to the circumstances in which it may or may not invoke or seek to invoke a condition of the Acquisition.
- 13.5** Altium has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of the references to its name in the form and context in which it appears.
- 13.6** Ernst & Young has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of the references to its name in the form and context in which it appears.
- 13.7** All references to time in this document and the Forms of Proxy are to London time unless the context provides otherwise.

#### **14. Bases and sources**

Unless otherwise stated in this document:

- 14.1** the value of the fully diluted share capital of Powerleague is calculated on the basis of 81,820,000 Powerleague Shares in issue on 15 October 2009 (being the last business day prior to the publication of this document);
- 14.2** all share prices for Powerleague Shares are derived from the AIM Appendix of the Daily Official List; and
- 14.3** all prices quoted for Powerleague Shares are Closing Prices.

#### **15. Documents available for inspection**

- 15.1** A copy of this document is available free of charge at Patron Capital's and Powerleague's websites at [www.patroncapital.com/portfolio/patronsportsleisure.htm](http://www.patroncapital.com/portfolio/patronsportsleisure.htm) and [www.powerleague.co.uk](http://www.powerleague.co.uk) respectively until the Effective Date.
- 15.2** Copies of the following documents are available for inspection during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the offices of Osborne Clarke, One London Wall, London EC2Y 5EB until the Effective Date:
- (a) the articles of association of Patron Sports Leisure;
  - (b) the memorandum and articles of association of Powerleague;
  - (c) the audited consolidated accounts of Powerleague for the two financial years ended 30 June 2007 and 28 June 2008;
  - (d) the interim results statement of Powerleague for the six months ended 27 December 2008;
  - (e) the preliminary results of Powerleague for the year ended 4 July 2009;
  - (f) all service agreements of the Powerleague Directors referred to in sub-paragraph 10.1 above;
  - (g) the material contracts referred to in sub-paragraph 10 above;
  - (h) the letters of consent referred to in sub-paragraph 13.5 and 13.6 above;
  - (i) the irrevocable undertakings referred to in paragraph 6 above;
  - (j) the rules of the Powerleague Share Scheme; and
  - (k) this document and the Forms of Proxy.

## PART VII

### DEFINITIONS

In this document (with the exception of Part V), the following words and expressions have the following meanings, unless the context requires otherwise:

<b>“Acquisition”</b>	the proposed acquisition by Patron Sports Leisure of the entire issued and to be issued ordinary share capital of Powerleague (other than the Powerleague Shares already held by Patron Sports Leisure and the Management Team Exchange Shares) pursuant to the Scheme
<b>“Act”</b>	the Companies Act 2006
<b>“AIM”</b>	the AIM Market of the London Stock Exchange
<b>“AIM Rules”</b>	the AIM Rules for Companies published by the London Stock Exchange from time to time
<b>“Altium”</b>	Altium Capital Limited, 30 St James’s Square, London SW1Y 4AL
<b>“Announcement”</b>	the announcement of the Acquisition dated 2 October 2009
<b>“Articles”</b>	the articles of association of Powerleague and “Article” shall mean any article of those Articles
<b>“A Shares”</b>	the new A shares in the capital of Patron Sports Leisure
<b>“B Shares”</b>	the new B shares in the capital of Patron Sports Leisure to be issued and credited as fully paid to the Management Team pursuant to the Management Arrangements on the Scheme becoming Effective
<b>“business day”</b>	a day (excluding Saturdays, Sundays and public holidays) on which banks are generally open for business in the City of London
<b>“Capital Reduction”</b>	the proposed reduction of the share capital of Powerleague involving the cancellation and the extinguishing of the Scheme Shares pursuant to the Scheme under section 641 of the Act as described in this document
<b>“Cash Consideration”</b>	the cash consideration due to a Scheme Shareholder from Patron Sports Leisure pursuant to the Acquisition
<b>“certificated” or in “certificated form”</b>	where a share or other security is not in uncertificated form (that is, not in CREST)
<b>“Closing Price”</b>	the closing middle market quotation of a Powerleague Share as derived from the AIM Appendix of the Daily Official List
<b>“Code”</b>	the City Code on Takeovers and Mergers, issued by the Panel
<b>“Computershare” or “Registrars”</b>	Computershare Investor Services PLC, a company incorporated under the laws of England and Wales
<b>“Conditions”</b>	the conditions to the Acquisition which are set out in Part III of this document
<b>“connected person”</b>	as defined in section 252 of the Act
<b>“Court”</b>	the High Court of Justice in England and Wales
<b>“Court Hearing”</b>	the hearing or hearings by the Court of the claim form for the sanctioning of the Scheme and to confirm the Capital Reduction under section 648 of the Act
<b>“Court Meeting”</b>	the meeting of the Scheme Shareholders to be convened pursuant to an order of the Court under section 896 of the Act and to be held at the offices of Osborne Clarke, One London Wall, London EC2Y 5EB at 10.00 a.m. on 9 November 2009 for the purposes of considering and, if thought fit, approving the Scheme (with or without amendment), notice

	of which is set out in Part VIII of this document, and any adjournment of such meeting
<b>“Court Order”</b>	the order of the Court sanctioning the Scheme under section 899 of the Act and confirming the Capital Reduction under section 648 of the Act
<b>“CREST”</b>	the relevant system (as defined in the CREST Regulations) of which Euroclear is the operator (as defined in the CREST Regulations)
<b>“CREST Manual”</b>	the CREST Manual referred to in agreements entered into by Euroclear
<b>“CREST Regulations”</b>	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755)
<b>“CREST sponsor”</b>	a CREST participant admitted to CREST as a CREST sponsor
<b>“Daily Official List”</b>	the daily official list of the London Stock Exchange
<b>“Disclosed”</b>	means (i) as disclosed in Powerleague’s preliminary results for the year ended 4 July 2009 as announced through a Regulatory Information Service on 2 October 2009; (ii) as publicly announced by Powerleague (by the delivery of an announcement to an authorised Regulatory Information Service) prior to 2 October 2009; (iii) as disclosed in this document; or (iv) as otherwise fairly disclosed in writing, or in documentation or written information, in each case provided by or on behalf of Powerleague, to Patron Sports Leisure or its advisers prior to 2 October 2009 in the context of the Acquisition
<b>“Effective”</b>	in the context of the Acquisition: <ul style="list-style-type: none"> <li>(i) if the Acquisition is implemented by way of the Scheme, the Scheme having become effective pursuant to its terms; or</li> <li>(ii) if the Acquisition is implemented by way of an Offer, the Offer having been declared or become unconditional in all respects in accordance with the requirements of the Code</li> </ul>
<b>“Effective Date”</b>	the date on which the Scheme becomes effective in accordance with clause 5 of the Scheme
<b>“electronic form”</b>	as defined in the Code
<b>“Enlarged Group”</b>	the combined businesses of the Patron Group and the Powerleague Group following the completion of the Acquisition
<b>“Ernst &amp; Young”</b>	Ernst & Young LLP, 1 More London Place, London SE1 2AF
<b>“Euroclear”</b>	Euroclear UK & Ireland Limited, a company incorporated under the laws of England and Wales
<b>“Excluded Shares”</b>	any Powerleague Shares which are registered in the name of or beneficially owned by Patron Sports Leisure or its nominee(s) and the Management Team Exchange Shares
<b>“Explanatory Statement”</b>	the explanatory statement relating to the Scheme, as set out in Part II of this document, which together with the documents incorporated therein constitute the explanatory statement relating to the Scheme as required by section 897 of the Act
<b>“Forms of Proxy”</b>	as the context may require, either or both of (i) the blue form of proxy for use at the Court Meeting, and (ii) the white form of proxy for use at the General Meeting, each of which accompanies this document
<b>“FSA”</b>	the UK Financial Services Authority
<b>“FSMA”</b>	the Financial Services and Markets Act 2000 (as amended)
<b>“General Meeting”</b>	the general meeting of Powerleague Shareholders to be held at the offices of Osborne Clarke, One London Wall, London EC2Y 5EB at 10.15 a.m. on 9 November 2009 (or as soon thereafter as the Court Meeting shall have been concluded or adjourned), to consider, and if

thought fit, approve certain resolutions in relation to the implementation of the Scheme and the sanctioning of the Capital Reduction, notice of which is set out in Part IX of this document, and any adjournment of such meeting

<b>“hard copy form”</b>	as defined in the Code
<b>“holder”</b>	a registered holder of shares, including any person entitled by transmission
<b>“Implementation Agreement”</b>	the agreement dated 2 October 2009 and made between Patron Sports Leisure and Powerleague and relating, among other things, to the implementation of the Acquisition, further details of which are set out in paragraph 10(a) of Part VI of this document
<b>“Independent Directors”</b>	each of Claude Manuel Littner, Andrew Howard Mallett and Simon Anthony Bentley, each a Powerleague Director and also independent in relation to the Acquisition
<b>“Independent Shareholders”</b>	the Powerleague Shareholders other than the Management Team and their connected persons
<b>“Inducement Fee Agreement”</b>	the agreement dated 24 July 2009 and made between Powerleague and Patron Sports Leisure and relating among other things to the payment of an inducement fee upon the occurrence of certain events, as varied on 24 September 2009 and 30 September 2009, further details of which are out in paragraph 10(b) of Part VI of this document
<b>“IRR”</b>	internal rate of return
<b>“London Stock Exchange”</b>	London Stock Exchange plc
<b>“Management Arrangements”</b>	the arrangements pursuant to which members of the Management Team will exchange the Management Team Exchange Shares and will acquire B Shares in Patron Sports Leisure, as set out in paragraph 5 of Part II of this document
<b>“Management Team”</b>	Sean Paul Tracey and Sheena Marion Beckwith
<b>“Management Team Exchange Shares”</b>	the 2,307,693 Powerleague Shares which Patron Sports Leisure has conditionally agreed to purchase from the Management Team pursuant to the Management Arrangements
<b>“Meetings”</b>	the Court Meeting and the General Meeting and “Meeting” means either of them
<b>“members”</b>	members of Powerleague on the register of members at any relevant date
<b>“New Powerleague Shares”</b>	the new ordinary shares of 10 pence each in the capital of Powerleague proposed to be allotted and issued credited as fully paid to Patron Sports Leisure pursuant to the Scheme
<b>“Offer”</b>	a general offer to be made by or on behalf of Patron Sports Leisure for the entire issued and to be issued share capital of Powerleague (not already held by or on behalf of Patron Sports Leisure) and, where the context so requires, any revision, extension or variation thereof
<b>“Offer Period”</b>	the period commencing on 8 April 2009 and ending on the date the Acquisition becomes Effective (or such other date as the Panel may decide)
<b>“Offer Price”</b>	52 pence per Powerleague Share
<b>“Ordinary Resolution”</b>	the ordinary resolution to be proposed at the General Meeting in connection with the approval of the Management Arrangements between Patron Sports Leisure and the Management Team
<b>“Overseas Shareholders”</b>	Scheme Shareholders who are resident in, ordinarily resident in, or citizens of, jurisdictions outside the United Kingdom

<b>“Panel”</b>	the UK Panel on Takeovers and Mergers
<b>“Patron”</b>	Patron Capital L.P. III
<b>“Patron Capital”</b>	Patron, Patron Capital L.P. II, Patron Capital L.P. I and all other investments advised by Patron Capital Limited
<b>“Patron G.P.”</b>	Patron Capital G.P. III Limited, the general partner of Patron
<b>“Patron Group”</b>	Patron, its subsidiaries and, where the context so permits, each of them
<b>“Patron Responsible Persons”</b>	the Patron Sports Leisure Directors (whose names are set out in paragraph 2.2(a) of Part VI of this document), the directors of Patron G.P. (whose names and respective functions are set out in paragraph 2.2(b) of Part VI of this document) and certain officers of Patron Capital, the investment adviser to Patron, whose names and functions are set out in paragraph 2.2(c) of Part VI of this document
<b>“Patron Sports Leisure”</b>	Patron Sports Leisure S.a.r.l., a company indirectly owned by Patron
<b>“Patron Sports Leisure Board” or “Patron Sports Leisure Directors”</b>	the board of directors of Patron Sports Leisure and “Patron Sports Leisure Director” means any of them
<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>“pounds”, “£”, “pence” or “Sterling”</b>	the lawful currency of the United Kingdom
<b>“Powerleague”</b>	Powerleague Group plc (incorporated in England and Wales under the Companies Act 1985 with registered number 5384840), whose registered office is at Powerleague Mill Hill, Pursley Road, Mill Hill, London NW7 2BB
<b>“Powerleague Board” or “Powerleague Directors”</b>	the board of directors of Powerleague and “Powerleague Director” means any of them
<b>“Powerleague Group”</b>	Powerleague, its subsidiaries, its holding companies, and the subsidiaries of its holding companies and, where the context so permits, each of them
<b>“Powerleague Options”</b>	options to acquire Powerleague Shares granted pursuant to the Powerleague Share Scheme
<b>“Powerleague Shares”</b>	the ordinary shares of 10 pence each in the capital of Powerleague
<b>“Powerleague Share Scheme”</b>	the Powerleague Group plc Approved and Unapproved Employee Share Option Scheme
<b>“Powerleague Shareholders”</b>	holders of Powerleague Shares
<b>“Proposals”</b>	the Scheme and the other matters to be considered at the Meeting, and the Management Arrangements
<b>“Registrar of Companies”</b>	the Registrar of Companies in England and Wales, within the meaning of the Act
<b>“Regulatory Information Service”</b>	any channel recognised as a channel for the dissemination of regulatory information by listed companies as defined in the listing rules made by the FSA pursuant to section 73A of FSMA
<b>“Resolutions”</b>	the Special Resolution and the Ordinary Resolution
<b>“Scheme”</b>	the scheme of arrangement proposed to be made under Part 26 of the Act between Powerleague and the Scheme Shareholders to implement the Acquisition, with or subject to any modification, addition or condition approved or imposed by the Court and/or agreed by Powerleague and Patron Sports Leisure
<b>“Scheme Record Time”</b>	6.00 p.m. on the business day immediately prior to the Court Hearing

<b>“Scheme Shareholders”</b>	holders of a Scheme Share, and a “Scheme Shareholder” shall mean any one of these Scheme Shareholders
<b>“Scheme Shares”</b>	<p>Powerleague Shares:</p> <ul style="list-style-type: none"> <li>(i) in issue at the date of this document;</li> <li>(ii) issued after the date of this document, but before the Voting Record Time; and</li> <li>(iii) issued at or after the Voting Record Time but before the Scheme Record Time on terms that the original or any subsequent holders are bound by the Scheme or in respect of which such holders shall have agreed in writing to be so bound,</li> </ul> <p>in each case, other than the Excluded Shares</p>
<b>“SDRT”</b>	stamp duty reserve tax
<b>“Special Resolution”</b>	the special resolution to be proposed at the General Meeting
<b>“Statement of Capital”</b>	the statement of capital (approved by the Court) showing, as altered by the Court Order, the information required by section 649 of the Act with respect to Powerleague’s share capital
<b>“Third Party”</b>	any central bank, government, government department, or governmental, quasi-governmental, supranational, statutory, regulatory or investigative body, authority (including any national anti-trust or merger control authority), court, trade agency, association, institution or professional or environmental body or any other similar person or body in any relevant jurisdiction
<b>“UK” or “United Kingdom”</b>	the United Kingdom of Great Britain and Northern Ireland
<b>“uncertificated” or in “uncertificated form”</b>	in respect of a share or other security, where that share or other security is recorded on the relevant register of the share or security concerned as being held in uncertificated form in CREST and title to which may be transferred by means of CREST
<b>“United States”</b>	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia and all other areas subject to its jurisdiction
<b>“Voting Record Time”</b>	6.00 p.m. on the day which is two days before the date of the Court Meeting or, if such Court Meeting is adjourned, 6.00 p.m. on the day which is two days before the date of such adjourned meeting

In this document and the Forms of Proxy, the expressions “subsidiary”, “subsidiary undertaking”, “associated undertaking” and “undertaking” have the meanings given by the Act.

In this document and the Forms of Proxy, references to the singular includes the plural and vice versa, unless the context otherwise requires. References to time are to London time, unless the context otherwise requires.

This document was published on 16 October 2009

## PART VIII

### NOTICE OF COURT MEETING

IN THE HIGH COURT OF JUSTICE  
CHANCERY DIVISION  
COMPANIES COURT  
REGISTRAR BAISTER

NO. 19426 OF 2009

#### IN THE MATTER OF POWERLEAGUE GROUP PLC

and

#### IN THE MATTER OF THE COMPANIES ACT 2006

**NOTICE IS HEREBY GIVEN** that, by an Order dated 15 October 2009 made in the above matter, the Court has directed a meeting (the **“Court Meeting”**) to be convened of the holders of Scheme Shares (as defined in the Scheme of Arrangement referred to below), for the purpose of considering and, if thought fit, approving (with or without modification) a scheme of arrangement (the **“Scheme of Arrangement”**) pursuant to Part 26 of the Companies Act 2006 (the **“Act”**) proposed to be made between Powerleague Group plc (**“Powerleague”** or the **“Company”**) and the holders of the Scheme Shares (as defined in the Scheme of Arrangement) and that such Court Meeting will be held at the offices of Osborne Clarke, One London Wall, London EC2Y 5EB on 9 November 2009 at 10.00 a.m., at which place and time all holders of such Scheme Shares are requested to attend. A copy of the Scheme of Arrangement and a copy of the explanatory statement required to be furnished pursuant to section 897 of the Act are incorporated in the document of which this notice forms part.

**Scheme Shareholders (as defined in the Scheme of Arrangement) may vote in person at the Court Meeting or they may appoint another person, whether a member of Powerleague or not, as their proxy to attend and vote in their stead. A blue Form of Proxy for use at the Court Meeting accompanies this notice. Completion and return of a blue Form of Proxy will not prevent a Scheme Shareholder from attending and voting at the Court Meeting, or any adjournment thereof, in person if he wishes to do so.**

**Scheme Shareholders are entitled to appoint a proxy in respect of some or all of their Scheme Shares. Scheme Shareholders are also entitled to appoint more than one proxy, provided that each proxy is appointed to exercise the rights attached to a different Scheme Share held by such holder. A space has been included in the blue Form of Proxy to allow Scheme Shareholders to specify the number of Scheme Shares in respect of which that proxy is appointed. Scheme Shareholders who return the blue Form of Proxy duly executed but leave this space blank will be deemed to have appointed the proxy in respect of all of their Scheme Shares.**

**Scheme Shareholders who wish to appoint more than one proxy in respect of their shareholding should contact the Company’s registrars, Computershare Investor Services PLC (‘‘Computershare’’) on 0870 707 1252 or on +44 (0) 707 1252 if telephoning from outside the UK for a further blue Form of Proxy or photocopy the blue Form of Proxy as required. Such Scheme Shareholders should read the information regarding the appointment of multiple proxies set out on page 5 of this document and the related notes contained in the blue Form of Proxy.**

**It is requested that blue Forms of Proxy be lodged with Computershare at Computershare Investor Services PLC, The Pavillions, Bridgwater Road, Bristol, BS99 6ZZ by no later than 10.00 a.m. on 7 November 2009 or, in the case of an adjourned meeting, not less than 48 hours before the time appointed for the adjourned meeting, but if forms are not so lodged, they may be handed to Computershare at the Court Meeting before the meeting starts.**

**In the case of joint holders of Scheme Shares, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s) and, for this purpose, seniority will be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.**

**Scheme Shareholders who hold Scheme Shares through CREST and who wish to appoint a proxy or proxies through the CREST Electronic Proxy Appointment Service may do so for the Court 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, should refer to their CREST sponsor or voting service provider, who will be able to take the appropriate action on their behalf.**

**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 the specifications of Euroclear UK & Ireland Limited (**“Euroclear”**) and must contain the information**

required for such instructions, as described in the CREST Manual. The message, regardless of whether it relates to the appointment of a proxy or to an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by Computershare (participant ID 3RA50) by no later than 10.00 a.m. on 7 November 2009 (or, in the case of an adjourned meeting, not less than 48 hours before the time appointed for the adjourned meeting). For this purpose, the time of receipt will be taken as the time (as determined by the time stamp applied to the message by the CREST Applications Host) from which Computershare are able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsor or voting service provider, should note that Euroclear 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, to procure that his or her CREST sponsor or voting service provider takes) 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 sponsor or voting service provider are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

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

Entitlement to attend and vote at the Court Meeting (and the number of votes which may be cast thereat) will be determined by reference to the register of members of the Company at 6.00 p.m. on 7 November 2009 or, in the case of an adjourned meeting, at 6.00 p.m. on the day which is two days before the date of the adjourned meeting. In each case, changes to the register of members of the Company after 6.00 p.m. on the relevant date will be disregarded.

By the said Order, the Court has appointed Claude Manuel Littner or, failing him, Andrew Mallett or, failing him, Simon Bentley, to act as Chairman of the Court Meeting and has directed the Chairman to report the result thereof to the Court.

The Scheme of Arrangement will be subject to the subsequent sanction of the Court.

Dated: 16 October 2009

Osborne Clarke  
One London Wall  
London  
EC2Y 5EB  
Solicitors for the Company

## PART IX

### NOTICE OF GENERAL MEETING

#### Powerleague Group plc

*(Incorporated in England and Wales under the Companies Act 1985 with registered number 5384840)*

**NOTICE IS HEREBY GIVEN that a general meeting (the “General Meeting”) of Powerleague Group plc (the “Company”) will be held at the offices of Osborne Clarke, One London Wall, London EC2Y 5EB on 9 November 2009 at 10.15 a.m. (or as soon thereafter as the Court Meeting (as defined in the circular of which this notice forms part) shall have concluded or been adjourned) for the purpose of considering and, if thought fit, passing the following resolutions, of which resolution 1 will be proposed as a special resolution and resolution 2 (to be taken on a poll) will be proposed as an ordinary resolution:**

#### SPECIAL RESOLUTION

1. THAT for the purpose of giving effect to the scheme of arrangement dated 16 October 2009 (the “**Scheme**”) between the Company and the holders of the Scheme Shares (as defined in the Scheme), a print of which has been produced to this meeting and for the purposes of identification signed by the Chairman thereof, in its original form or subject to any modification, addition or condition approved or imposed by the Court and/or agreed by the Company and Patron Sports Leisure (“**Patron Sports Leisure**”):
  - 1.1 the directors of the Company be authorised to take all such action as they may consider necessary or appropriate for carrying the Scheme into effect;
  - 1.2 the authorised share capital of the Company be reduced by cancelling and extinguishing all of the Scheme Shares;
  - 1.3 subject to and forthwith upon the reduction of capital referred to in paragraph 1.2 above taking effect and notwithstanding any other provision to the contrary in the articles of association of the Company:
    - (a) the authorised share capital of the Company be increased to its former amount by the creation of such number of new ordinary shares of 10 pence each (the “**New Powerleague Shares**”) as shall be equal to the aggregate number of Scheme Shares cancelled pursuant to paragraph 1.2 above;
    - (b) the reserve arising in the books of account of the Company as a result of the reduction of capital referred to in paragraph 1.2 above be capitalised and applied in paying up in full at par all of the New Powerleague Shares, which shall be allotted and issued (free from all liens, charges, encumbrances, rights of pre-emption and any other third party rights of any nature whatsoever), credited as fully paid, to Patron Sports Leisure and/or its nominee(s) in accordance with the terms of the Scheme; and
    - (c) the directors of the Company be and they are hereby generally and unconditionally authorised for the purposes of section 551 of the Companies Act 2006 to allot shares in connection with the Scheme, provided always that (1) the maximum aggregate nominal amount of the shares which may be allotted under this authority shall be the aggregate nominal amount of the New Powerleague Shares; (2) this authority shall expire (unless previously revoked, varied or renewed) on the fifth anniversary of this resolution; and (3) this authority shall be in addition and without prejudice to any other authority under section 80 of the Companies Act 1985 previously granted and in force on the date on which this resolution is passed;
  - 1.4 with effect from the passing of this resolution, the articles of association of the Company be amended by the adoption and inclusion of the following new article 5A:

#### “5A Scheme of arrangement

5A.1 In this Article 5A, the “**Scheme**” means the scheme of arrangement dated 16 October 2009, between the Company and the Scheme Shareholders (as defined in the Scheme) under Part 26 of the Companies Act 2006 in its original form or with or subject to any modification, addition or condition approved or imposed by the Court and/or agreed by the Company and Patron Sports Leisure and (save as defined in this Article) expressions defined in the Scheme shall have the same meanings in this Article.

- 5A.2 Notwithstanding any other provision of these Articles, if the Company issues any Ordinary Shares (other than to Patron Sports Leisure (“**Patron Sports Leisure**”) and/or its nominee(s)) at or after the adoption of this Article 5A and on or before the Scheme Record Time (as defined in the Scheme), such shares shall be issued subject to the terms of the Scheme (and shall be Scheme Shares for the purposes thereof) and the original or any subsequent holder or holders of such Ordinary Shares shall be bound by the Scheme accordingly.
- 5A.3 Notwithstanding any other provision of these Articles, if any Ordinary Shares are issued to any person (a “**New Member**”) (other than under the Scheme or to Patron Sports Leisure or its nominee(s)) after the Scheme Record Time, such New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) will, provided the Scheme has become effective, be obliged immediately to transfer all of the Ordinary Shares held by the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) (the “**Post-Scheme Shares**”) to Patron Sports Leisure and/or its nominee(s) who shall be obliged to acquire all of the Post-Scheme Shares. The consideration for each Post-Scheme Share transferred to Patron Sports Leisure shall be 52 pence in cash (or such greater or lesser amount as may be payable under the Scheme if modified in accordance with its terms).
- 5A.4 On any reorganisation of, or material alteration to, the share capital of the Company (including, without limitation, any subdivision and/or consolidation), the value of the consideration per Post-Scheme Share to be paid under Article 5A.3 shall be adjusted by the directors of the Company in such manner as the auditors of the Company may determine to be fair and reasonable to reflect such reorganisation or alteration. References in this Article 5A to Ordinary Shares shall, following such adjustment, be construed accordingly.
- 5A.5 To give effect to any transfer of Post-Scheme Shares required by Article 5A.3 above, the Company may appoint any person as attorney for the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) to execute and deliver as transferor a form of transfer or instructions of transfer on behalf of the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) in respect of the Post-Scheme Shares in favour of Patron Sports Leisure and/or its nominee(s) and to do all such other things and execute and deliver all such documents as may in the opinion of the attorney be necessary or desirable to vest the Post-Scheme Shares in Patron Sports Leisure or its nominee(s) and pending such vesting to exercise all such rights attaching to the Post-Scheme Shares as Patron Sports Leisure may direct. If an attorney is so appointed, the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) shall not thereafter (except to the extent that the appointed person fails to act in accordance with the directions of Patron Sports Leisure) be entitled to exercise any rights attaching to the Post-Scheme Shares unless so agreed by Patron Sports Leisure. The Company may give a good receipt for the purchase price of the Post-Scheme Shares and may register Patron Sports Leisure as holder thereof and issue to it certificate(s) for the same. The Company shall not be obliged to issue a certificate to the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) for the Post-Scheme Shares. Patron Sports Leisure shall send a cheque drawn on a UK clearing bank in favour of the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) for the cash purchase price in consideration for the transfer of such Post-Scheme Shares within 14 business days of the date on which the Post-Scheme Shares are issued or transferred to the New Member.
- 5A.6 If the Scheme shall not have become effective by the date referred to in clause 5 of the Scheme, this Article 5A shall be of no effect.”

## ORDINARY RESOLUTION

2. That the arrangements between Patron Sports Leisure and Sean Tracey and Sheena Beckwith, the principal terms of which are described in the scheme circular published on behalf of the Company dated 16 October 2009 (the “**Scheme Circular**”) (a copy of which is produced to the meeting and signed for identification purposes only by the Chairman of the Meeting), be and hereby approved in the context of the Acquisition (as defined in the Scheme Circular), notwithstanding that such arrangements are not extended to all shareholders of the Company.

By order of the Board

Sheena Beckwith  
*Company Secretary*

Registered office  
Powerleague Soccer Centre  
Pursley Road  
Mill Hill  
London  
NW7 2BB

16 October 2009

### Notes:

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 (as amended), only those members registered in the register of members of the Company at 6.00 p.m. on 7 November 2009 (or in the case of an adjourned meeting, 6.00 p.m. on the day which is two days before the date of the adjourned meeting), shall be entitled to attend and vote at the Meeting in respect of the number of shares registered in their name at that time. In each case, changes to the register of members after such time shall be disregarded in determining the rights of any person to attend or vote at the General Meeting.
2. A member who is entitled to attend, speak and vote at the General Meeting may appoint a proxy to attend, speak and vote instead of him. A member may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares (so a member must have more than one share to be able to appoint more than one proxy). A member wishing to exercise this right should contact Computershare on 0870 707 1252 or on +44 (0) 707 1252 if telephoning from outside the UK. A proxy need not be a member of the Company but must attend the meeting in order to represent you. A proxy must vote in accordance with any instructions given by the member by whom the proxy is appointed. Appointing a proxy will not prevent a member from attending in person and voting at the meeting (although voting in person at the meeting will terminate the proxy appointment). A white proxy form is enclosed. The notes to the proxy form include instructions on how to appoint the Chairman of the Meeting or another person as a proxy. You can only appoint a proxy using the procedures set out in these Notes and in the notes to the white proxy form.
3. To be valid, a white proxy form, and the original or duly certified copy of the power of attorney or other authority (if any) under which it is signed or authenticated, should reach the Company’s registrar, Computershare Investor Services PLC of The Pavillions, Bridgwater Road, Bristol BS99 6ZZ, by no later than 10.00 a.m. on 7 November 2009 or if the General Meeting is adjourned, not less than 48 hours before the time of such adjourned meeting.
4. Members can submit a proxy form electronically by accessing [www.eproxyappointment.com](http://www.eproxyappointment.com). Electronic facilities are available to all members and those who use them will not be disadvantaged. If you submit your proxy form via the internet it should reach the registrar by 10.15 a.m. on 7 November 2009. Should you complete your proxy form electronically and then post a hard copy, the form that arrives last will be counted to the exclusion of instructions received earlier, whether electronic or posted. Please refer to the terms and conditions of the service on the website.  
The notes to the proxy form include instructions on how to appoint a proxy by using the CREST proxy appointment service. You may not use any electronic address provided either in this Notice of General Meeting or in any related documents (including the white form of proxy) to communicate with the Company for any purposes other than those expressly stated.
5. In the case of joint holders of shares, the vote of the first named in the register of members who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of other joint holders.
6. A member that is a company or other organisation not having a physical presence cannot attend in person but can appoint someone to represent it. This can be done in one of two ways: either by the appointment of a proxy (described in Notes 2 to 4 above) or of a corporate representative. Members considering the appointment of a corporate representative should check their own legal position, the Company’s articles of association and the relevant provision of the Companies Act 2006.
7. Copies of the Company’s existing articles of association as proposed to be amended by the special resolution set out in the notice of the General Meeting are available for inspection at the offices of Powerleague’s Solicitors, Osborne Clarke, at One London Wall, London EC2Y 5EB during normal business hours on any weekday (excluding Saturdays, Sundays and public holidays), until the opening of business on the day on which the General Meeting is held and will also be available for inspection at the place of the General Meeting for at least 15 minutes prior to and during the General Meeting.
8. If you have any queries relating to this document, either the meeting (or the preceding court meeting) or the completion and return of the forms of proxy, please telephone Computershare Investor Services PLC between 9.00 a.m. and 5.00 p.m. (London time) Monday to Friday (except UK public holidays) on 0870 707 1252 from within the UK or +44 (0) 707 1252 if calling from outside the UK. The helpline cannot provide advice on the merits of the Scheme or give any financial, legal or tax advice.
9. In order to comply with the requirements of the UK Panel on Takeover and Mergers and Rule 16 of the City Code on Takeovers and Mergers, the ordinary resolution set out above will be taken on a poll and only Independent Shareholders will be entitled to vote thereon.

