

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you are recommended to immediately seek your own personal financial advice from your stockbroker or other independent financial adviser authorised under the Financial Services and Markets Act 2000.**

If you have sold or otherwise transferred all of your ordinary shares in Sigma Capital Group plc (the “Company”), please forward this document and the accompanying Form of Proxy as soon as possible to the purchaser or transferee or to the stockbroker, bank or other person through whom the sale or transfer was effected for transmission to the purchaser or transferee.



Sigma Capital Group plc

## **Sigma Capital Group plc**

*(Incorporated in England and Wales under the Companies Act 1985 with registered number 3942129)*

### **Placing of 11,428,571 new Ordinary Shares at a price of 70 pence per share to raise £8 million and Notice of General Meeting**

---

This document should be read as a whole. Your attention is drawn to the letter from the Chairman of the Company set out in this document which recommends that you vote in favour of the Resolutions to be proposed at the General Meeting.

The Directors of the Company, whose names are set out on page 5 of this document, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable steps to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

N+1 Singer, which is authorised and regulated in the United Kingdom by the FCA, is acting as nominated adviser and broker to the Company in connection with the Placing and will not be acting for any other person (including a recipient of this document) or otherwise be responsible to any person for providing the protections afforded to clients of N+1 Singer or for advising any other person in respect of the Placing or any transaction, matter or arrangement referred to in this document. N+1 Singer’s responsibilities as the Company’s nominated adviser and broker are owed solely to London Stock Exchange and are not owed to the Company or to any Director or to any other person in respect of his decision to acquire shares in the Company in reliance on any part of this document.

Apart from the responsibilities and liabilities, if any, which may be imposed on N+1 Singer by the FSMA or the regulatory regime established thereunder, N+1 Singer does not accept any responsibility whatsoever for the contents of this document, including its accuracy, completeness or verification or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company, the Ordinary Shares or the Placing. N+1 Singer accordingly disclaims all and any liability whether arising in tort, contract or otherwise (save as referred to above) in respect of this document or any such statement.

**A notice convening a General Meeting of the Company is set out at the end of this document. The General Meeting is to be held at 10.00 a.m. on 22 April 2014 at 41 Charlotte Square, Edinburgh, EH2 4HQ.**

**A Form of Proxy for use at the General Meeting accompanies this document and to be valid the Form of Proxy should be completed, signed and returned in accordance with the instructions printed thereon to the Company Secretary at 41 Charlotte Square, Edinburgh, EH2 4HQ as soon as possible and in any event so as to arrive not later than 10.00 a.m. on 16 April 2014. Completion and return of the Form of Proxy will not preclude Shareholders from attending and voting in person at the meeting should they so wish.**

**This document does not constitute, nor is it intended to constitute, a prospectus or financial promotion (as both terms are defined in the Financial Services and Markets Act 2000). No Shareholder should subscribe for Placing Shares in connection with the Placing without first receiving and reading in full the relevant Placing Letter, which will be available, pursuant to the Financial Services and Markets Act 2000, to Qualifying Investors only (as defined below) following the passing of the Resolutions.**

**A copy of this document is available at the Company’s website [www.sigmacapital.co.uk](http://www.sigmacapital.co.uk). Neither the content of the Company’s website nor any website accessible by hyperlinks to the Company’s website is incorporated in, or forms part, of this document.**

## **FORWARD LOOKING STATEMENTS**

**This document includes “forward looking statements”, which include all statements other than statements of historical facts, including, without limitation, those regarding the Company’s financial position, business strategy, plans and objectives of management for future operations, or any statements preceded by, followed by or that include the words “targets”, “believes”, “expects”, “aims”, “intends”, “will”, “may”, “anticipates”, “would”, “could” or similar expressions or negatives thereof.**

**Such forward looking statements involve known and unknown risks, uncertainties and other important factors beyond the Company’s control that could cause the actual results, performance or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such forward looking statements. Such forward looking statements are based on numerous assumptions regarding the Company’s present and future business strategies and the environment in which the Company will operate in the future. These forward looking statements are expressions of opinion as at the date of this document only. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward looking statements contained herein to reflect any change in the Company’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based, unless required to do so by applicable law or the AIM Rules for Companies.**

## **BASIS ON WHICH INFORMATION IS PRESENTED**

**Various figures and percentages in tables in this document, including financial information, have been rounded and accordingly may not total. As a result of this rounding, the totals of data presented in this document may vary slightly from the actual arithmetical totals of such data.**

**In the document, references to “pounds sterling”, “£”, “pence” and “p” are to the lawful currency of the United Kingdom.**

## **REFERENCES TO DEFINED TERMS**

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

**All times referred to in this document are, unless otherwise stated, references to London time.**

## CONTENTS

	<i>Page</i>
<b>Definitions</b>	4
<b>Directors, Officers and Advisers</b>	5
<b>Expected Timetable of Principal Events</b>	6
<b>Placing Statistics</b>	6
<b>Letter from the Chairman</b>	7
<b>Notice of General Meeting</b>	10

## DEFINITIONS

The following definitions apply throughout this document and in the Form of Proxy, unless the context requires otherwise:

“Act”	the Companies Act 2006, as amended
“AIM”	the AIM Market operated by the London Stock Exchange Group plc
“Admission”	the admission of the Placing Shares to trading on AIM
“Chairman”	the Chairman of the Company
“Company” or “Sigma”	Sigma Capital Group plc, a company incorporated in England and Wales under the Companies Act 1985 with registered number 3942129 and whose registered office is at Northwest Wing, Bush House, Aldwych, London, WC2B 4EZ
“Directors” or “Board”	the directors of the Company, whose names appear on page 5 of this document
“Enlarged Share Capital”	the number of issued Ordinary Shares immediately following Admission
“Existing Ordinary Shares”	the Ordinary Shares in issue at the date of this document
“FCA”	the Financial Conduct Authority
“Form of Proxy”	the form of proxy accompanying this document for use by the Shareholders at the General Meeting
“General Meeting”	the general meeting of the Company to be held at 10.00 a.m. on 22 April 2014 at 41 Charlotte Square, Edinburgh, EH2 4HQ, notice of which is set out at the end of this document
“N+1 Singer”	Nplus1 Singer Advisory LLP
“Ordinary Shares”	ordinary shares of 1 pence each in the capital of the Company
“Placing”	the proposed placing to raise £8 million by the issue of the Placing Shares at the Placing Price pursuant to the Placing Agreement
“Placing Agreement”	the conditional agreement dated 18 March 2014 between the Company and N+1 Singer regarding the Placing
“Placing Letters”	the letters to be issued by N+1 Singer to Qualifying Investors in connection with the Placing
“Placing Price”	70 pence per Placing Share
“Placing Shares”	11,428,571 new Ordinary Shares to be issued and allotted in connection with the Placing
“Qualifying Investors”	persons or entities who, in the opinion of the Board and the Company’s financial adviser, satisfy the requirements of articles 86(1) and (7) of the Financial Services and Markets Act 2000
“Resolutions”	the resolutions to be proposed at the General Meeting, as set out in the notice convening the General Meeting at the end of this document
“Shareholders”	holders of Ordinary Shares

## DIRECTORS, OFFICERS AND ADVISERS

<b>Directors</b>	David Sigsworth, <i>Chairman</i> Graham F Barnet, <i>Chief Executive Officer</i> Marilyn D Cole, <i>Finance Director</i> John Hamilton, <i>Residential Development Director</i> Graeme RR Hogg, <i>Chief Operating Officer</i> William H MacLeod, <i>Investment Director</i> James C McMahon, <i>Non-executive Director</i> Duncan W Sutherland, <i>Regeneration Director</i> Gwynn G Thomson, <i>Property Investment Director</i>
<b>Company Secretary</b>	Marilyn D Cole
<b>Registered Office</b>	Northwest Wing Bush House Aldwych London, WC2B 4EZ
<b>Nominated Adviser and Broker</b>	Nplus1 Singer Advisory LLP One Bartholomew Lane London, EC2N 2AX
<b>Solicitors to the Company</b>	Gateley (Scotland) LLP Exchange Tower 19 Canning Street Edinburgh, EH3 8EH
<b>Registrars</b>	Capita IRG plc The Registry 34 Beckenham Road Beckenham, BR3 4TU

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication date of this document	19 March 2014
Latest time and date for receipt of Forms of Proxy	10.00 a.m. on 16 April 2014
General Meeting to consider and, if thought fit, approve the Resolutions	10.00 a.m. on 22 April 2014
Expected date of Admission	23 April 2014
Where applicable share certificates in respect of the Placing Shares to be dispatched no later than	7 May 2014

## PLACING STATISTICS

Placing Price	70 pence
Existing Ordinary Shares	48,246,071
Number of Placing Shares being issued by the Company pursuant to the Placing	11,428,571
Enlarged Share Capital	59,674,642
Amount being raised under the Placing (gross)	£8 million
Estimated net proceeds of the Placing receivable by the Company	£7.63 million

## LETTER FROM THE CHAIRMAN



Sigma Capital Group plc

# Sigma Capital Group plc

*(Incorporated in England and Wales under the Companies Act 1985 with registered number 3942129)*

*Directors:*

David Sigsworth, *Chairman*  
Graham F Barnet, *Chief Executive Officer*  
Marilyn D Cole, *Finance Director*  
John Hamilton, *Residential Development Director*  
Graeme RR Hogg, *Chief Operating Officer*  
William H MacLeod, *Investment Director*  
James C McMahon, *Non-executive Director*  
Duncan W Sutherland, *Regeneration Director*  
Gwynn G Thomson, *Property Investment Director*

*Registered Office:*

Northwest Wing  
Bush House  
Aldwych  
London, WC2B 4EZ

*To the holders of Ordinary Shares*

19 March 2014

Dear Shareholder,

### **Placing of 11,428,571 new Ordinary Shares at a price of 70 pence per share to raise £8 million and Notice of General Meeting**

#### **Introduction**

The Company has today announced that it has conditionally raised £8 million by way of a placing of 11,428,571 Placing Shares at 70 pence per share.

The purpose of this letter is to set out the reasons for the Placing and to seek your approval of the Resolutions which are required to be passed by Shareholders in order to allow the Placing to proceed. Notice of a General Meeting of the Company, to be held on 22 April 2014 to consider and, if thought fit, to approve the Resolutions, is set out at the end of this document.

#### **Background to and reasons for the Placing**

We have been three years in building the opportunity that lies ahead of us in the roll out of our private rented sector (PRS) model and we believe that this model, which adds to our existing regeneration activities, is extendable into the social housing market.

The Placing will allow Sigma to capitalise on its early mover advantage and to successfully execute large scale development opportunities. These opportunities already have support from local and national government to address the need for new homes in the UK's private rented sector. The Directors believe the Placing will also strengthen Sigma's balance sheet and give Sigma's key relationships (UK Government, the GLA, other local authorities and housebuilders etc) confidence in the Company's ability to deliver large-scale housing development opportunities.

The Board believes that raising equity finance using the flexibility provided by a non pre-emptive placing is the most appropriate and optimal structure for the Company at this time. This allows both existing institutional holders and new institutional investors to participate in the Placing and avoids the need for a prospectus which is a costly and time consuming process.

## **Current Trading**

On 19 March 2014 the Company announced its final results for the year to 31 December 2013. Since the year end, the Company is pleased to report continued progress in the delivery of our key objectives for 2014. Further details of the progress achieved in 2013 and since the year end are contained in that announcement.

## **Details of the Placing**

The Company has conditionally raised approximately £7.63 million (net of expenses) through the issue of the Placing Shares at the Placing Price, which represents a discount of 6.7 per cent. to the closing middle market price of 75p per Ordinary Share on 18 March 2014, being the latest dealing day prior to the publication of this document. The Placing Shares will represent 19.15 per cent. of the Company's issued Ordinary Share capital immediately following Admission.

### ***The Placing Agreement***

Pursuant to the terms of the Placing Agreement, N+1 Singer has conditionally agreed to use its reasonable endeavours, as agent for the Company, to place the Placing Shares with certain institutional and other investors. The Placing has not been underwritten by N+1 Singer. The Placing Agreement is conditional upon, *inter alia*, the Resolutions being duly passed at the General Meeting and Admission becoming effective on or before 8.00 a.m. on 23 April 2014 (or such later time and/or date as the Company and N+1 Singer may agree, but in any event by no later than 8.00 a.m. on 30 May 2014).

The Placing Agreement contains warranties from the Company in favour of N+1 Singer in relation to, *inter alia*, the accuracy of the information in this document and other matters relating to the Company and its business. In addition, the Company has agreed to indemnify N+1 Singer in relation to certain liabilities it may incur in respect of the Placing. N+1 Singer has the right to terminate the Placing Agreement in certain circumstances prior to Admission, in particular, in the event of a material breach of the warranties given to N+1 Singer in the Placing Agreement, the failure of the Company to comply in any material respect with its obligations under the Placing Agreement, the occurrence of a force majeure event or a material adverse change affecting the condition, or the earnings or business affairs or prospects of the Company as a whole, whether or not arising in the usual course of business.

### ***Settlement and dealings***

Application will be made to the London Stock Exchange for the Placing Shares to be admitted to trading on AIM. It is expected that Admission will become effective on 23 April 2014.

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

## **Use of proceeds**

The Directors intend that the net proceeds of the Placing of £7.63 million will be used as follows:

- To fund pre-development spend and therefore accelerate the development of existing projects (all pre-development expenditure is recoverable through the funding process when the development proceeds);
- Equity investment in current and future projects to provide Sigma with greater participation in returns and to demonstrate intent to Sigma's partners;
- A stronger balance sheet to give Sigma's key relationships (the UK Government, GLA, Bellway Homes, Countryside etc) the confidence that Sigma has the capability to execute such large-scale public projects; and
- Additional capital and funding to strengthen the Sigma team as and when required.



### **Related Party Transaction**

Henderson Global Investors, a substantial shareholder of the Company (as defined by the AIM Rules) is investing approximately £1.176 million in the Placing. Henderson Global Investors' participation in the Placing is deemed to be a related party transaction under the AIM Rules.

Having consulted with the Company's nominated adviser, N+1 Singer, the Directors are of the opinion that the terms of Henderson Global Investors' participation in the Placing is fair and reasonable insofar as its Shareholders are concerned.

### **Resolutions**

At the General Meeting the Shareholders will be asked to authorise the allotment of shares in the capital of the Company without the operation or application of the pre-emption provisions contained in the Companies Act 2006, all for the purpose of enabling the Company to place Ordinary Shares in the capital of the Company pursuant to the Placing.

### **General Meeting and Action to be taken**

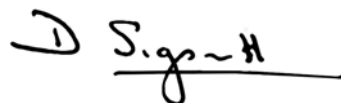
You will find set out at the end of this document a notice convening a General Meeting of the Company to be held at 41 Charlotte Square, Edinburgh, EH2 4HQ at 10.00 a.m. on 22 April 2014 for the purpose of considering and, if thought fit, passing the Resolutions.

Shareholders are requested to complete the Form of Proxy enclosed with this document in accordance with the instructions printed on it and to return it as soon as possible, and in any event so as to be received no later than 10.00 a.m. on 16 April 2014, to the Company Secretary, 41 Charlotte Square, Edinburgh, EH2 4HQ. Completion and return of the Form of Proxy will not prevent you from attending and voting in person at the General Meeting should you so wish.

### **Recommendation and voting intentions**

The Directors consider that the passing of the Resolutions is in the best interests of the Shareholders as a whole. Accordingly, the Directors recommend Shareholders to vote in favour of the Resolutions, as they intend to do in respect of their own interests amounting to 10,457,868 Ordinary Shares (representing approximately 21.7 per cent., in aggregate, of the Ordinary Shares in issue as at the date of this letter).

Yours faithfully

A handwritten signature in black ink, appearing to read 'D Sigsworth', written over a horizontal line.

David Sigsworth  
*Chairman*

## NOTICE OF GENERAL MEETING



Sigma Capital Group plc

# Sigma Capital Group plc

*(Incorporated in England and Wales under the Companies Act 1985 with registered number 3942129)*

NOTICE IS HEREBY GIVEN that a GENERAL MEETING of Sigma Capital Group plc (the “Company”) will be held at 10.00 a.m. on 22 April 2014 at 41 Charlotte Square, Edinburgh, EH2 4HQ for the purpose of considering and, if thought fit, passing the following resolutions:

### ORDINARY RESOLUTION

1. That, without prejudice to any existing and unexercised authority under Section 551 of the Companies Act 2006 (“the Act”), the Directors be generally and unconditionally authorised pursuant to and in accordance with Section 551 of the Act to exercise all the powers of the Company to allot equity securities (as defined in Section 560(1) of the Act) in the Company and to grant rights to subscribe for, or to convert any security into, equity securities in the Company (“Rights”) up to an aggregate nominal amount equal to £114,285.71 (being the nominal value of the ordinary shares that are required in connection with the Placing referred to in the Company’s letter to shareholders dated 19 March 2014) provided that this authority shall (unless previously revoked or varied in general meeting) expire on the date falling 15 months after the passing of this Resolution or, if earlier, at the conclusion of the annual general meeting of the Company to be held in 2015, save that the Company shall be entitled to make offers or agreements before the expiry of this authority which would or might require equity securities to be allotted or Rights to be granted after such expiry and the Directors shall be entitled to allot equity securities and grant Rights pursuant to any such offers or agreements as if this authority had not expired.

### SPECIAL RESOLUTION

2. THAT, without prejudice to any existing and unexercised authority under Section 95 of the Companies Act 1985 and/or Sections 570 and 573 of the Act, and subject to the passing of Resolution 1 above, the Directors be and they are hereby empowered, pursuant to Section 570 and Section 573 of the Act, to allot equity securities (as defined in Section 560(1) of the Act) for cash pursuant to the authority conferred by Resolution 1 above as if Section 561(1) of the Act did not apply to any such allotment, PROVIDED THAT this power shall be limited to the allotment to any person or persons (otherwise than in connection with a rights issue) of equity securities in the capital of the Company up to a maximum nominal amount of £114,285.71 in connection with the placing pursuant to Resolution 1 above of up to 11,428,571 ordinary shares of 1 pence each in the capital of the Company at a placing price of at least £0.70 per ordinary share; and further provided that such power shall (unless and to the extent previously revoked, varied or renewed by the Company in general meeting) commence on the passing of this Resolution and expire on the date falling 15 months after the passing of this Resolution or, if earlier, at the conclusion of the annual general meeting of the Company to be held in 2015, except that the Company may, before the expiry of such power, make an offer or enter into an agreement which would or might require equity securities to be allotted after the expiry of such power and the Directors may allot equity securities in pursuance of such an offer or agreement as if such power had not expired.

Dated: 19 March 2014

*Registered Office:*

Northwest Wing  
Bush House  
Aldwych  
London, WC2B 4EZ

By Order of the Board  
Marilyn Dawn Cole  
*Company Secretary*

*Important Notes:*

*The following notes explain your general rights as a Shareholder and your rights to attend and vote at the General Meeting or to appoint someone else to vote on your behalf.*

1. Only those Shareholders registered in the Register of Members of the Company as at 10.00 a.m. on 16 April 2014 (the “Specified Time”) shall be entitled to attend or vote at the General Meeting in respect of shares registered in their name at that time. Changes to entries on the Register of Members after the Specified Time shall be disregarded in determining the rights of any person to attend or vote at the General Meeting, notwithstanding any provisions in any enactment, the articles of association of the Company or other instrument to the contrary. Should the General Meeting be adjourned, to be so entitled, members must have been entered on the Register 48 hours (excluding non-working days) prior to the adjourned General Meeting.
2. A person entitled to receive notice of, and attend and vote at, the General Meeting may appoint a proxy or proxies to attend and exercise all or any of his rights to attend, speak and vote at that meeting in his stead. A proxy need not be a member of the Company but must attend the General Meeting to represent you. A member may appoint more than one proxy provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him. Appointment of a proxy will not preclude a member from attending and/or voting in person at the General Meeting. A form of proxy for use at the General Meeting is enclosed and, if used, should be lodged, together with any power of attorney or other authority (if any) under which it is signed, in accordance with the terms detailed on the form of proxy. To be valid the form of proxy must be received by the Company Secretary at 41 Charlotte Square, Edinburgh EH2 4HQ not less than 48 hours (excluding non-working days) before the time of the General Meeting or any adjournment thereof. Any power of attorney or other authority under which the form of proxy is signed (or a certified copy of such authority) must be included with the form of proxy.
3. In order to facilitate voting by corporate representatives at the meeting, arrangements will be put in place at the meeting so that (i) if a corporate shareholder has appointed the chairman of the meeting as its corporate representative to vote on a poll in accordance with the directions of all of the other corporate representatives for that shareholder at the meeting, then on a poll those corporate representatives will give voting directions to the chairman and the chairman will vote (or withhold a vote) as corporate representative in accordance with those directions; and (ii) if more than one corporate representative for the same corporate shareholder attends the meeting but the corporate shareholder has not appointed the chairman of the meeting as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative. Corporate shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives ([www.icsa.org.uk](http://www.icsa.org.uk)) for further details of this procedure. The guidance includes a sample form of appointment letter if the chairman is being appointed as described in (i) above.
4. In accordance with Section 311A of the Companies Act 2006, the contents of this notice of meeting and, if applicable, any members’ statements, members’ resolutions or members’ matters of business received by the Company after the date of this notice will be available on the Company’s website at [www.sigmacapital.co.uk](http://www.sigmacapital.co.uk).
5. As at 18 March 2014 (being the last business day prior to the publication of this notice), the Company’s issued share capital consists of 48,246,071 Ordinary Shares, carrying one vote each. Therefore, the total number of voting rights of the Company as at 18 March 2014 is 48,246,071.

*Communication*

6. Except as provided above, members who have general queries about the General Meeting should contact the Company Secretary.
7. Shareholders may not use any electronic address provided either in this notice of General Meeting or any related documents (including the form of proxy) to communicate with the Company for any purpose other than those expressly stated.

